



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-9000

GOVERNMENT NATIONAL  
MORTGAGE ASSOCIATION

January 16, 2009

APM 09-02

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: Thomas R. Weakland, Acting Executive Vice President

SUBJECT: Hope for Homeowners 40-Year Loan

The Federal Housing Administration's regulations for the Hope for Homeowners ("H4H") Program were recently amended to improve the program by providing additional flexibility through more options to lenders. The changes to the program can be found in FHA Mortgagee Letter 2009-03 published January 6, 2009, and in the *Federal Register* as "Hope for Homeowners Program: Program Regulations", at 74 F.R. Reg. 617, published on January 7, 2009.

Under the H4H Program, lenders may now offer borrowers a mortgage with a term from 30 to 40 years. Nevertheless, in order for an H4H mortgage to qualify for inclusion in a Ginnie Mae mortgage-backed security, the mortgage must be for a term of either 30 or 40 years.

Effective for securities with an issue date of February 1, 2009 and thereafter, Ginnie Mae will allow Issuers to pool 40-Year H4H mortgages into a new 40-Year Multiple Issuer Pool "M FS" pool type. The new 40-Year Term "M FS" pool type is subject to the same edits and requirements as the 30-Year "M FS" pool type. The 40-Year GNMA II Multiple Issuer Loan Packages must be submitted via GinnieNET and adhere to the 30-Year submission date. Commingling 30- and 40-Year H4H loans in the same pool is not permissible. The two maturities must be segregated.

The Ginnie Mae Mortgage-Backed Securities Guide 5500.3, Rev. 1 ("Guide"), will be updated to formally incorporate this change. For additional assistance, Issuers may contact their Ginnie Mae Account Executive in the Office of Mortgage-Backed Securities at (202) 708-1535.