

# Ginnie Mae

Issuer Outreach Conference Call

September 8, 2011

2:00 PM ET

# Agenda

---

- Welcome and Introduction
- Accelerated Timeline
- Data Integrity
- Updates and Reminders
- Process Improvement
- Adjourn

---

# Accelerated Timeline



# Accelerated Timeline – Correction timeline

---

Goal: To shorten the correction period in order to disclose data earlier in the month

- Received feedback and are proposing the following:
- RFS Critical exceptions must be corrected by the 4<sup>th</sup> business day
- All other RFS exceptions must be corrected no later than the 10<sup>th</sup> business day
- Target date for implementation is for the November reporting period which is submitted on December 2, 2011
- This will be announced via an APM

# Accelerated Timeline – Reporting Dates

Reporting	Due 2 <sup>nd</sup> Business Day	Due 4 <sup>th</sup> Business Day	Due 10 <sup>th</sup> Business Day
RFS Pool Record	√	Clear “E” and “C” Exceptions	Clear all other exceptions through the 10th
RFS Loan Record	√	Clear “E” and “C” Exceptions	Clear all other exceptions through the 10th
RFS Sensitive Record	√		Clear all other exceptions through the 10th
RFS Various Record	√		Clear all other exceptions through the 10th
11710 D (GinnieNET)		√	Corrections through the 10th
Security RPB Reporting (GinnieNET)	√	√	

# Proposed Exceptions – Pool Record

Field #	Field Name	Exception
1	Record Type	E
2	Pool ID	E
3	Adjust FIC	H
<b>4</b>	<b>Pool FIC</b>	<b>C</b>
5	Servicing Fee	H
<b>6</b>	<b>Weighted Average Interest Rate (WAC)</b>	<b>C</b>
<b>7</b>	<b>Net Adjust RPB</b>	<b>C</b>
8	Deferred GPM Interest	M
9	Serial Note	L
<b>10</b>	<b>Security RPB</b>	<b>C</b>
11	T&I Escrow Balance	L
12	P&I Fund Balance	L
13	Other Balance	L
14	Replacement Reserve Balance	L
15	Construction Loan Principal Balance	L
<b>16</b>	<b>P&amp;I Account Number</b>	<b>C</b>
<b>17</b>	<b>P&amp;I Bank ID</b>	<b>C</b>
18	T&I Account Number	H
19	T&I Bank ID	H
20	Replacement Reserve Account Number	H
21	Replacement Reserve Bank ID	H
22	Construction Loan Principal Account Number	H
23	Construction Loan Principal Bank ID	H

# Proposed Exceptions – Loan Record

Field #	Field Name	Exception
1	Record Type	E
2	Unique Loan ID	E
3	Pool ID	E
<b>4</b>	<b>Loan Type</b>	<b>C</b>
5	Case Number	M
6	Issuer Loan ID	L
7	First Payment Date	H
<b>8</b>	<b>Loan Maturity Date</b>	<b>C</b>
<b>9</b>	<b>Loan Interest Rate</b>	<b>C</b>
10	Loan OPB	H
<b>11</b>	<b>Loan FIC</b>	<b>C</b>
<b>12</b>	<b>Last Installment Paid Date</b>	<b>C</b>
13	In Foreclosure Flag	L
14	Delinquent Interest	H
15	Delinquent Principal	H
16	Prepaid Interest	H
17	Prepaid Principal	H
18	Installment Interest	H
19	Installment Principal	H
<b>20</b>	<b>Curtailment</b>	<b>C</b>
21	Adjust Interest	H
<b>22</b>	<b>Net Adjust UPB</b>	<b>C</b>
<b>23</b>	<b>Loan UPB</b>	<b>C</b>
<b>24</b>	<b>Removal Date</b>	<b>C</b>
<b>25</b>	<b>Removal Reason</b>	<b>C</b>
26	Liquidation Interest Due	H
27	Liquidation Principal Remitted	H
<b>28</b>	<b>Liquidation Principal Balance</b>	<b>C</b>
29	Loan T&I Balance	H

---

# Data Integrity



# Data Integrity – Definition changes

	Current Definition	New Definition
Loan to Value Ratio Percent	<i>The ratio of the current UPB amount to the appraised value, estimated value or purchase price of the property. The value is to include the upfront mortgage insurance premium.</i>	<i>The ratio (expressed as a percent) of the Original Principal Balance including any financed mortgage insurance premium to either; (i) in the case of a purchase money loan, the lower of the property's sale price or appraised value at origination, or (ii) in the case of a refinancing loan (non-streamline), the appraised value at the time of refinancing. In the case of a streamlined refinance, a value of zero may be entered.</i>
Combined Loan to Value Ratio Percent	<i>The result of dividing the combined original principal balance (OPB) amounts of the first and all subordinate mortgages by the property valuation amount.</i>	<i>The ratio (expressed as a percent) of the Original Principal Balance including any financed mortgage insurance premium plus all subordinate mortgages to either; (i) in the case of a purchase money loan, the lower of the property's sale price or appraised value at origination, or (ii) in the case of a refinancing loan (non-streamline), the appraised value at the time of refinancing. In the case of a streamlined refinance, a value of zero may be entered.</i>
Loan Status Code	<p><i>Loan Status Code</i></p> <ol style="list-style-type: none"> <li><i>1. Buydown loan</i></li> <li><i>2. Not applicable</i></li> <li><i>3. Delinquent due to reset FHA Secure</i></li> <li><i>4. 2nd lien FHA Secure</i></li> </ol>	<p><i>Loan Buydown Code</i></p> <p><i>A code indicating whether the loan has a buydown feature.</i></p> <ol style="list-style-type: none"> <li><i>1. Buydown loan</i></li> <li><i>2. Not a buydown loan</i></li> </ol>

# Feedback

---

- Requesting Issuer feedback on the proposed definitions
  - Operational implications, such as system impacts.
  - Timing
- Please submit your comments via the send suggestions link (at the end of the presentation) by September 23, 2011

# Updates and Reminders

---

- APM 11-13, Aug. 26, 2011 expands the Buyout Policy to accommodate trial payment plans before loan modifications.
- APM 11-14, Sept 1, 2011—Update to Appendix VI-19, RFS Layout. Provides clarifications and addresses industry questions regarding APM 11-08

# Updates and Reminders Cont'd

---

## New net worth and capital requirements

- **Single Family and HMBS Issuers**

- New requirements are effective October 1, 2011 (APM 10-17)

- **Multifamily Issuers**

- Increased Net Worth Requirements went into effect May 1, 2011.
- Institution wide capital and liquid asset requirements are effective October 1, 2011 (APM 10-22)

- Clarification of the Requirements for Bank Holding Companies, Thrifts and their subsidiaries, as well as for Credit Unions is forthcoming.

# Ongoing Communications

- New Forum for Communications
  - Ginnie Mae Notes and News
  - If you would like to receive this announcement please be sure to sign up for Ginnie Mae's Subscribers list.

**August 30, 2011**  
No. 1

**Mission: To support affordable housing in America by linking global capital markets to the nation's housing markets.**

**Introducing "Notes and News"**

Ginnie Mae is pleased to announce and distribute the first issue of Notes and News. This publication will be used periodically to provide reminders or further information about Ginnie Mae programs, as well as notification of upcoming training events or conference calls of interest to our issuers. Please note, APMs (All Participants Memoranda) will continue to be the formal communication device used to announce and implement official policy changes to Ginnie Mae's Mortgage-Backed Securities (MBS) programs.

If you have any comments or suggestions on how to make this publication more informative and helpful, please contact your Account Executive directly.

**New FHA Loan Ceilings:** FHA recently announced new Maximum Loan Limits that will become effective October 1, 2011 (ML 11-29). However, Ginnie Mae's pooling parameters for high balance loans will remain unchanged. The existing policy in Chapter 9 of the MBS Guide will continue to be used to determine a high balance loan for pooling purposes.

**Upcoming Training Event:** Ginnie Mae will be hosting a three-day training event for Single Family and Multifamily Issuers in late September. To obtain more information and to reserve your space, please contact Kim Eaglin at: [Kimberly.B.Eaglin@hud.gov](mailto:Kimberly.B.Eaglin@hud.gov). More information will be distributed shortly.

**Save the Date!** On Thursday, September 8, 2011, Ginnie Mae will hold an Issuer Outreach Call. Agenda details will be distributed soon. If you have a specific item you would like to see discussed, please provide your input via the "Send Suggestions" link at the bottom of the Ginnie Mae website, or by using the following link: <https://www.ginniemae.gov/help/suggest.asp?Section=Contact>

GINNIE MAE NOTES AND NEWS is published by Ginnie Mae's Office of Mortgage-Backed Securities. For more information, please contact your Account Executive or the Office of Mortgage-Backed Securities at 202-708-1533.

This document is to convey program news and notes only. All terms and conditions of the MBS Program are in the applicable Guaranty Agreement and the Guide. Where there is any inconsistency between this document and the applicable Guaranty Agreement or the Guide, the provisions of the applicable Guaranty Agreement or the Guide will govern.

# Process Improvement

---

- Initiative designed to explore program and process improvements to align Ginnie Mae with industry standards and improve the Issuer experience.
- Periodically will request suggestions and feedback from the Issuer community.

## First Item

Changing to the 'cut-off' date for investor reporting to the end of month from the 1<sup>st</sup> of the following month.

---

# Questions and Answers

If you have any questions, comments, or concerns, please feel free to contact us via the “*Send Suggestions*” Link on the Ginnie Mae web page:

<https://www.ginniemae.gov/help/suggest.asp?Section=Contact>