



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

GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

April 5, 2007

APM 07-04

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: Michael J. Frenz, Executive Vice President

SUBJECT: GinnieNET Web-Based, Version 7.1

In All Participants Memorandum (“APM”) 06-09, dated September 22, 2006, Ginnie Mae introduced its web-based GinnieNET, Version 7.0 system application. The APM also stated that the GinnieNET web-based application would be rolled-out in two phases, GinnieNET, Version 7.0 (phase 1 – limited functionality) and GinnieNET, Version 7.1 (phase 2 – full functionality).

We are pleased to announce that GinnieNET, Version 7.1 will be available to all issuers and document custodians effective April 10, 2007, and thereafter. GinnieNET, Version 7.1 will offer full functionality and will replace Ginnie Mae’s desktop system application, GinnieNET, Version 6.2. Therefore, it is imperative that all issuers and document custodians enroll and begin to use web-based GinnieNET. The GinnieNET, Version 6.2 desktop application will not be available after June 30, 2007. Early adoption of web-based GinnieNET is strongly encouraged.

Below is a description of the additional functionality that will be included with GinnieNET, Version 7.1, future enhancements that are under development, and planned enrollment/training dates.

1. Additional Functionality:

The following enhancements will be incorporated into Ginnie Mae’s web-based GinnieNET system.

Certification Functionality:

- Final Certification – Issuer/Custodian
- Recertification – Issuer/Custodian
- Form HUD 11708 (Request for Release of Documents)
- Transmission of Requests for Document Custodian Transfers and Mergers

Reporting Functionality:

- Form HUD 11714 (Issuer's Monthly Remittance Advice)
- Form HUD 11714 SN (Issuer's Monthly Serial Note Remittance Advice)
- Form HUD 11710D (Issuer's Monthly Summary Report)

2. Enhancements Underway:

Additional edits will be applied to pools containing adjustable rate mortgages ("ARMs") that will enable Ginnie Mae to alert issuers when the underlying loan collateral backing the pool is inconsistent with the adjustable rate pool type selected. In order for Ginnie Mae to apply these edits, at issuance, issuers will be required to provide a new loan level data element ("Interest Rate Change Date") at pooling for each ARM loan listed on the Form HUD 11706. In addition, when a "Pool Type" corresponding to a five-year hybrid type of ARM note is selected, the issuer will be prompted to select the Cap Structures. With these new fields, GinnieNET will be able to ensure that only those pools with loans that fall within the acceptable range of months are processed. Other than the fields mentioned above, the additional new fields in the file layout will be pre-populated by GinnieNET once the pool type is selected. **See Attachment 1 for the new file layout for all adjustable rate mortgages that must be used beginning with August 1, 2007 issuances.**

Also, it is anticipated that FHA and VA will begin insuring/guaranteeing ARM products with interest rate adjustments based on the London Interbank Offered Rate ("LIBOR") index. When this option is available, the web-based GinnieNET application will include new pool types for each of its ARM products that adjust using the LIBOR index.

In order to enable issuers to provide the new data elements necessary to perform the new edits on ARM pools, and to pool mortgages using the LIBOR index, Ginnie Mae will be incorporating both the new data elements and the LIBOR pool indicator in its GinnieNET Form 11706, mortgage detail file layout. **However, issuers will not be able to create securities backed by FHA and VA ARM mortgages using the LIBOR index until Ginnie Mae announces that this option is available.**

Specific review requirements for these new fields will be incorporated into the Ginnie Mae Document Custodian Manual, and announced through a separate APM. Ginnie Mae understands that these enhancements will require changes in certification procedures utilized by document custodians. As such, these new review and audit requirements will become effective for all promissory notes dated on, or after, October 1, 2007.

3. Planned Enrollment/Training:

Ginnie Mae is offering two additional enrollment/training sessions on web-based GinnieNET in San Juan, Puerto Rico on April 11-12, 2007. All issuer and document custodian security administrators must complete the enrollment process in order to use web-based GinnieNET. The training will include a demonstration on the web-based GinnieNET application and its navigation features. Ginnie Mae is working on obtaining information on the specific address where the Puerto Rico enrollment and training sessions will be held.

This information, along with possible additional enrollment opportunities, will be published as soon as it is available on Ginnie Mae's website <http://www.ginniemae.gov>, under the caption of "What's New".

You can register for web-based GinnieNET enrollment and training via email at GinnieMae@chase.com, or by phone at 1-800-234-4662, Option 1. See Attachment 2 for a listing of the dates and locations of the upcoming training/enrollment sessions.

If you have any questions regarding this announcement, please contact your Account Executive in the Office of Mortgage-Backed Securities at (202) 708-1535.

Attachments

Attachment 1

**Web-Based GinnieNET
GinnieNET Form 11706 (Mortgage Detail) ARM Pool Types**

Data import revisions: Pool Record – Position 284 – ARM Type Flag – Alpha-1 character – “C” for CMT Mortgage Record, “L” for LIBOR Mortgage Record

New Record Type = “R” - used only for ARM pools

Each “R” record will follow its associated “M” record.

The export record for the user function will have an extra 100 bytes (as it does for all other record types)

MORTGAGE RECORD LAYOUT (11706) “R”

No.	Field Name	Type	Length	Dec. Places	Start Position	End Position	Data Example
1.	Record Type	Alpha	1		81	81	R
2.	Pool Number	Numeric	6	0	82	87	999999
3.	Issue Type	Alpha	1		88	88	M
4.	Pool Type	Alpha	2		89	90	AR
5.	FTN	Alphanumeric	32		91	122	
6.	Case Number	Alphanumeric	15		123	137	
7.	Mort. Number	Numeric	15	0	138	152	
8.	Interest Rate	Alphanumeric	8		153	160	20070701
	Change Date						
9.	Index Type	Alpha	5		161	165	CMT or LIBOR
10.	Acceptable Range (“Months”)	Alphanumeric	7		166	172	120-126
11.	Type of ARM Note	Alphanumeric	14		173	186	10-year hybrid
12.	Initial (+/-) Interest Rate Cap	Alphanumeric	1		187	187	2
13.	Subsequent (+/-) Interest Rate Cap	Alphanumeric	1		188	188	2
14.	Lifetime (+/-) Interest Rate Cap	Alphanumeric	1		189	189	6
15.	Filler		211		190	400	

Footnote: New fields are reflected in bold print

Attachment 2

**Web-Based GinnieNET
Enrollment and Training Dates For Security Administrators**

Date	Location	Time
Wednesday, April 11, 2007	Puerto Rico	Enrollment: 9:00 - 12:00 Training: 1:00 - 4:00
Thursday, April 12, 2007	Puerto Rico	Enrollment: 9:00 - 12:00 Training: 1:00 - 4:00

In order to use the web-based GinnieNET, issuer and document custodian security administrators must enroll, in person, with Ginnie Mae. The enrollment process includes replacing the electronic signature pad with fingerprint biometric technology.

The proposed security administrator for each **issuer** must present a letter signed by an officer of the company, authorizing them to act as a security administrator. The approval signature on the letter must be the signature of an officer listed on Form HUD 11702 for that issuer, and the security administrator's name must be the same as the name on the public and private key disks.

For each **document custodian**, the approval signature must be the notarized signature of an officer authorized and empowered to act on behalf of the company, and the security administrator's name must be the same as the name on the public and private key disks.

When arriving for enrollment, please have your public and private key disks, the password for your private key disk, the authorization letter from your company, and valid photo identification. Prior to enrollment, a Bank of New York staff person must authenticate the public disk if the original key disk is not available. This can be accomplished at the enrollment and training session.