



THE GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

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

March 4, 2003

03-07

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: George S. Anderson, Executive Vice President

SUBJECT: Release of GinnieNET 2020, Version 5.7

Ginnie Mae is pleased to announce the release of GinnieNET 2020, Version 5.7 ("GinnieNET 5.7"), which includes new features that streamline the processes for 1) converting multifamily CL/CS securities to PN securities, 2) certifying and re-certifying single family pools that were issued under Ginnie Mae's issuance and immediate transfer process, and 3) providing additional categories for identifying the reason for releasing a document. **Effective April 1, 2003, all Ginnie Mae issuers and custodians are required to use GinnieNET 5.7.**

Below are the enhancements that have been added to GinnieNET 2020 that are available using GinnieNET 5.7.

New Pool Processing Module - Multifamily Program

Investors are no longer required to deliver their multifamily security position to Ginnie Mae in order to convert their CL/CS security position to a PN security position. Using GinnieNET 5.7, all CL/CS pools will automatically be converted to PN pools after the settlement of the final CL/CS draw and upon completion of the requirements for conversion, as outlined in All Participants Memorandum ("APM") 02-28, dated December 31, 2002.

Also, GinnieNET 5.7 provides issuers the ability to submit construction loan draw pool submissions that were not initially submitted via GinnieNET. Using older versions of GinnieNET, construction loan draws have to be submitted manually to Ginnie Mae's pool processing agent, if the initial construction loan was not processed through GinnieNET.

At the request of our business partners, Ginnie Mae has incorporated into GinnieNET 5.7 the ability for issuers to cut and paste text material into multifamily pool processing screens (e.g., prepayment descriptions). This change eliminates the time-consuming process of issuers having to retype large amounts of information into screens provided for transmitting text information.

New Pool Processing Module - Single Family Program

When using the option to issue and immediately transfer a pool, *GinnieNET 5.7* requires the buying issuer to identify their document custodian. This feature enables Ginnie Mae to electronically update its records with the buying issuer's document custodian. With this information on file, the buying issuer is able to electronically final certify or re-certify pools using the *GinnieNET* certification module. Previously this work had to be done manually.

As a reminder, when using the issuance and immediate transfer feature, any pool/loan package that is not timely accepted by the buying issuer (within two business days from when the initial certification is completed by the document custodian) will be automatically issued to the originator (seller) of the pool/loan package. Subsequently, the pool/loan package can be transferred using the transfer of issuer responsibility process as discussed in Chapter 21 of the *Ginnie Mae Mortgage-Backed Securities Guide*.

Investor Reporting Module - All Programs

GinnieNET 5.7 includes the updated version of form HUD 11708, "Request for Release of Documents". The revised form includes the three new "Reason for Removal" codes that were recently added to the form HUD 11710E (see APM 02-17, dated July 2, 2002, for additional information).

Operating System Requirements

GinnieNET 5.7 can be operated in a Windows XP operating environment, in addition to Windows 95, Windows 98, Windows 2000, Windows NT 4.0, and Windows Millennium (ME) environments.

If you have any questions regarding *GinnieNET 5.7* or the installation of the upgraded software, please contact the *GinnieNET* Hotline at 1-800-234-4662, Option 1. General questions should be directed to your Account Executive in the Office of Mortgage-Backed Securities, Single Family Division at (202) 708-1535, or Multifamily Division at (202) 708-2043.