



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

GOVERNMENT NATIONAL  
MORTGAGE ASSOCIATION

November 8, 2010

APM 10-20

MEMORANDUM FOR: All Participants in Ginnie Mae Programs  
FROM: Theodore W. Tozer, President  
SUBJECT: Federal Housing Administration's (FHA) Short Refinance Program

The Federal Housing Administration (FHA) recently announced enhancements to its refinance program that will give a greater number of responsible borrowers an opportunity to remain in their homes. These enhancements were publicized in FHA's Mortgagee Letter 2010-23 dated August 6, 2010.

The enhanced refinance program is designed to help borrowers who owe more money on their mortgage than the value of their home to refinance their current conventional loan into an affordable FHA loan. Loans with case numbers issued on or after September 7, 2010, which are closed on or before December 31, 2012, are eligible for this refinance option.

Ginnie Mae will allow Issuers to pool these refinance loans in Ginnie Mae Single Family fixed rate or ARM pools, where applicable, provided they meet the criteria for one of the FHA ADP Codes below. GinnieNET has been updated to accommodate these refinance loans.

FHA Short Refinance ADP Codes		
Type of FHA loan	Fixed Rate	ARM
203(b)	821	822
Condo	831	832

Ginnie Mae will begin disclosing the concentration of FHA Short Refinance loans in pools at issuance beginning in November 2010, and forward, and on Ginnie Mae's monthly disclosure file beginning in October 2010, and forward. The data elements to be disclosed include the following: number of loans; unpaid principal balance; and percent of dollar amount of FHA Short Refinance loans in the pool, compared to the total dollar amount of all loans in the pool.

For additional assistance, Issuers may contact their Ginnie Mae Account Executive in the Office of Mortgage-Backed Securities at (202) 708-1535.