

Checklist of Information and Forms Required to be Submitted by Applicant for Ginnie Mae Issuer Approval

- Form HUD-11701**, Application for Approval Ginnie Mae Mortgage-Backed Securities Issuer: **REQUIRED FOR ALL GINNIE MAE APPLICANTS**
Ginnie Mae 5500.3, Rev. 1: Chapter 7, Appendix I-1

- Section A: General Information: REQUIRED FOR ALL GINNIE MAE APPLICANTS** – Section 7-4(A)(1)
 - Applicant's name (1a)
 - Applicant's DBA, if applicable (1b) - If a DBA is present, applicant must provide the Secretary of State's approval for use of the fictitious name
 - Applicant's phone number (2a)
 - Applicant's fax number (2b)
 - Applicant's e-mail address (2c)
 - Applicant's geographic address (3) – The box for "Attention" must reflect a title and not an individual's name
 - Applicant's mailing address (4)
 - Name of contact person (5a)
 - Contact person phone number (5b)
 - Contact person fax number (6a)
 - Contact person e-mail address (6b)
 - Applicant's date of incorporation/charter (7)
 - Incorporated under laws of what state (8)
 - Program approval type(s) requested (9)
 - Minority/Women-Owned Business, if applicable (10)
 - Institution type (11)
 - Federal Tax ID number (12)
 - Month of Fiscal Year End (13)
 - List of all owners with 25% or greater ownership interest and all officers (14) – Title, Date of Birth, and percentage ownership is required. On a separate sheet, provide the current home address for all those listed in this section

Section B: History and Business Status: REQUIRED FOR ALL GINNIE MAE APPLICANTS – *Section 7-4(A)(1)*

Answer Questions 1 through 7. Provide an explanation on a separate sheet for any questions that are answered “Yes”

Section C: Required for Ginnie Mae I and/or II Applicants - *Section 7-4(A)(1)*

- FHA Mortgagee Number (1)
- Fannie Mae Seller/Servicer Number, if applicable (2)
- Freddie Mac Seller/Servicer Number, if applicable (3)
- Total dollar amount of mortgage servicing and subservicing portfolio (4)
- Narrative describing the history of the applicant, including current number of employees (5)
- Narrative describing the applicant’s business/operational plans (5)
- Loan origination history for the prior three years, including year to date, in the below format: (6)

2012 Product of _____	
Dollar Volume	
Government	
Conventional	
Other	
Total	
Percentage of Total Volume	
Government	
Conventional	
Other	
Total	

2011 Product	
Dollar Volume	
Government	
Conventional	
Other	
Total	
Percentage of Total Volume	
Government	
Conventional	
Other	
Total	

2010 Product	
Dollar Volume	
Government	
Conventional	
Other	
Total	
Percentage of Total Volume	
Government	
Conventional	
Other	
Total	

2009 Product	
Dollar Volume	
Government	
Conventional	
Other	
Total	
Percentage of Total Volume	
Government	
Conventional	
Other	
Total	

- In lieu of items (7), (8), (9), (10), (11) and (12) in Section C, refer to the items listed under “Additional Documentation Requirements” below

Section D: REQUIRED FOR ALL GINNIE MAE APPLICANTS

- Insert the applicant name and date the form was completed under the sentence “All Applicants are required to sign and date the application.”
- Original signature of officer required
- Name of officer signing the form required
- Title of officer signing the form required

- Form HUD-11702**, Resolution of Board of Directors and Certificate of Authorized Signatures: **REQUIRED FOR ALL GINNIE MAE APPLICANTS**
Ginnie Mae 5500.3, Rev. 1: Chapter 7, Section 7-4(2) and Appendix I-2

Two original copies are required - Persons signing any forms and/or pool or loan documents must be included on form HUD-11702

- Insert name of issuer (page 1)
- Original signature of three or more officers (including the Secretary of the Board of Directors) is required (page 1) – On a separate sheet, provide the current home address and date of birth for all those listed in this section
- Certification regarding the presentation to the Board of Directors must have all blanks completed (page 2)
- Corporate seal required (page 2) – If the applicant is not required to have a corporate seal, provide a written statement on a separate sheet that the state of incorporation does not require a corporate seal
- Section regarding the witnessing of the document must have all blanks completed (page 2) – The person signing as the secretary and the person signing as the officer cannot be the same person

Payment of Application Fee: REQUIRED FOR ALL APPLICANTS

Ginnie Mae 5500.3, Rev. 1: Chapter 6, Section 6-2(A), 6-5 and Chapter 7, Section 7-4(A)(11)

- Payment must be made via pay.gov in the amount of \$2,500 (this payment is non-refundable)

- Provide evidence that the payment was made when submitting the application package

**Annual Audited Financial Statements (For the Past Three Years):
REQUIRED FOR ALL GINNIE MAE APPLICANTS**

Ginnie Mae 5500.3, Rev. 1: Chapter 2, Section 2-8/9, Chapter 7, Section 7-4(A)(3), Appendix IX-1 and Handbook IG 2000.04 Rev. 2

- Two copies of the annual audited financial statements with all supplements (i.e. adjusted net worth schedule, internal control and compliance reports)
- If auditor notes any internal control and/or compliance deficiencies in the most recent audit, provide an explanation
- Evidence of auditor's license
- If applicant has changed auditors within the prior two years, provide an explanation
- If the most recent audited income statement reflects a net loss, provide an explanation

Note: Applicants must be aware that Ginnie Mae's adjusted net worth requirements are as follows:

- **\$2.5 million for Single Family Programs;**
- **\$1 Million for the Multifamily Program;**
- **\$5 million for the HMBS Program; and**
- **\$10 million for the Manufactured Housing Program**

Unaudited/Interim Balance Sheet and Income Statement (As of the Most Recent Month End): REQUIRED FOR ALL GINNIE MAE APPLICANTS

Ginnie Mae 5500.3, Rev. 1: Chapter 2, Section 2-8, Chapter 3, Section 3-7(C)(6), Chapter 7, Section 7-4(A)(3), and Handbook IG 2000.04 Rev. 2

- The interim statements must include the following certification signed by a corporate officer: "I Name of Officer hereby certify that the information contained herein is true and accurate to the best of my knowledge and belief. The enclosed unaudited financial statements were prepared in accordance with GAAP. "
- If the interim income statement reflects a net loss, provide an explanation

**Evidence of Fidelity Bond Insurance Coverage (Complete Copy of Policy):
REQUIRED FOR ALL GINNIE MAE APPLICANTS**

Ginnie Mae 5500.3, Rev. 1: Chapter 2, Section 2-7(A)(1)/(3) and Chapter 7, Section 7-4(A)(4)

- The applicant's name is on the policy or listed as an added assured
- The policy has not expired – effective date and termination date are on policy
- Ginnie Mae is listed as the certificate holder
- The dollar amount is on certificate and meets Ginnie Mae's minimum insurance requirements (insurance calculation is located in Chapter 2, Section 7 of the Ginnie Mae MBS Guide)
- The appropriate Ginnie Mae endorsement has been provided as follows (If the endorsement is on a separate page, the policy or certificate number must be included on that page and must match the policy or certificate number on policy):

“In the event of a loss affecting the interest of the Government National Mortgage Association, The Government National Mortgage Association, its successors and assigns shall be named on the loss payable draft as their interests may appear.”

Note: A complete copy of the entire policy is required, certificates and/or binders are not acceptable

**Evidence of Errors & Omissions Coverage (Complete Copy of Policy):
REQUIRED FOR ALL GINNIE MAE APPLICANTS**

Ginnie Mae 5500.3, Rev. 1: Chapter 2, Section 2-7(A)(2)/(3) and Chapter 7, Section 7-4(A)(4)

- The applicant's name is on the policy or listed as an added assured
- The policy has not expired – effective date and termination date are on policy
- Ginnie Mae is listed as the certificate holder
- The dollar amount is on certificate and meets Ginnie Mae's minimum insurance requirements (insurance calculation is located in Chapter 2, Section 7 of the Ginnie Mae MBS Guide)
- The appropriate Ginnie Mae endorsement has been provided as follows (If the endorsement is on a separate page, the policy or certificate number must be included on that page and must match the policy or certificate number on policy):

“In the event of a loss affecting the interest of the Government National Mortgage Association, The Government National Mortgage Association,

its successors and assigns shall be named on the loss payable draft as their interests may appear.”

Note: A complete copy of the entire policy is required, certificates and/or binders are unacceptable

Evidence of Quality Control Plans for Underwriting/Origination and Servicing: REQUIRED FOR ALL GINNIE MAE APPLICANTS

Ginnie Mae 5500.3, Rev. 1: Chapter 7, Section 7-4(A)(5).

- Complete copies of both underwriting/origination and servicing quality control plans should be provided
- If the applicant is contracting out their underwriting/origination or servicing functions, the applicant must provide an oversight plan detailing how they will monitor the contracted companies to ensure quality is maintained in accordance with Ginnie Mae guidelines
- Provide a copy of the most recent underwriting/origination and servicing quality control reviews – Include management’s response for the resolutions of audit findings

Additional Documentation Requirements: REQUIRED FOR ALL GINNIE MAE APPLICANTS (Each item should be provided on a separate sheet)

- List of affiliated companies that participate in Ginnie Mae program(s), including their four-digit Ginnie Mae Identification Number(s) – If affiliated issuers are not present, provide a statement to that effect - Ginnie Mae 5500.3, Rev. 1: Chapter 2, Section 2-12 and Chapter 7, Section 7-4(A)(8)/(9)
- If affiliated Ginnie Mae issuers are present, a Cross Default Agreement meeting the below guidelines must be completed for each affiliate - Ginnie Mae 5500.3, Rev. 1: Appendix I-4
 - DO NOT ALTER FORM**
 - Corporate seals and Attestation for each company signing form
 - Subsidiary/Affiliate 1 – type company’s name
 - By – signature of officer for company 1
 - Name – type name of officer who signed the form
 - Title of officer signing the form
 - Date officer signed the form
 - Subsidiary/Affiliate 2 – type company’s name

- By – signature of officer for company 2
- Name – type name of officer who signed the form
- Title of officer signing the form
- Date officer signed the form

- If unable to complete a Cross Default Agreement, a legal opinion as to why the applicant cannot execute the agreement must be provided

- Statement listing the dollar value of loans to Officers/Directors/Affiliates as of the most recent financial audit – If none, provide a statement to that effect - Ginnie Mae 5500.3, Rev. 1: Chapter 7, Section 7-4(A)(6)

- Statement listing the dollar value of any related party transactions and/or pledged assets as of the most recent financial audit – If none, provide a statement to that effect - Ginnie Mae 5500.3, Rev. 1: Chapter 7, Section 7-4(A)(7)

- List of name(s), address(es), telephone number(s) and contact person(s) for mortgage insurance companies, warehouse lenders and investors for whom the applicant is currently doing business – If none, provide a statement to that effect - Ginnie Mae 5500.3, Rev. 1: Chapter 7, Section 7-4(A)(10)
 - Provide a signed letter from each warehouse lender that states the amount and expiration date of the line

- Provide the size of the total servicing portfolio of the applicant and any related issuer(s) if covered by the same insurance policy – If none, provide a statement to that effect
 - Provide total number and dollar amount of loans serviced for each investor
 - Provide the delinquency rates of the servicing portfolio, broken down by investor and loan type

- List of states in which the applicant is currently licensed

- List of all business lines the applicant is involved in

- List of any affiliated (non-Ginnie Mae issuer) companies and/or parent companies – If these companies are present, provide an organizational chart that reflects the relationship between each company
- A description of the applicant's originating and/or servicing experience related to FHA, VA and/or RHS
- Date of applicant's last FHA, VA and/or RD field review and a copy of any findings
- Date of applicant's last Fannie Mae and/or Freddie Mac field review and a copy of any findings
- List of all loan types that are originated and/or serviced by the applicant
- Intended activities with Ginnie Mae, including short and long term volume expectations
- Applicant's plans for servicing Ginnie Mae pools
 - If a sub-servicer will be used, provide a copy of the executed subservicing agreement signed by both parties
 - If the agreement has not yet been signed, provide a contact at the sub-servicer that Ginnie Mae can contact
 - If a sub-servicer will be used, provide a copy of the employee's resume that has been selected to oversee the sub-servicer's activities. * Please note, this individual must have extensive servicing experience including payment processing, investor reporting, collections, loss mitigation, among others.*
- If the applicant is Fannie Mae approved, provide a statement indicating if Fannie Mae has ever imposed any restrictions on the applicant in addition to one of the items below:
 - Initial signed Fannie Mae approval letter on their letterhead that indicates the lender number, date of approval and approval type (i.e. seller and/or servicer)
 - Signed letter from Fannie Mae on their letterhead verifying the lender number, date of approval and approval type (i.e. seller and/or servicer)
 - For multifamily applicants, the approval verification provided must specify Fannie Mae multifamily approval

- If the applicant is Freddie Mac approved, provide a statement indicating if Freddie Mac has ever imposed any restrictions on the applicant in addition to one of the items below:
 - Initial signed Freddie Mac approval letter on their letterhead that indicates the lender number, date of approval and approval type (i.e. seller and/or servicer)
 - Signed letter from Freddie Mac on their letterhead verifying the lender number, date of approval and approval type (i.e. seller and/or servicer)
 - For multifamily applicants, the approval verification provided must specify Freddie Mac multifamily approval

- Resumes for a minimum of three officers and one full-time employee:
 - The resumes provided must include resumes for the employees listed on the form HUD-11702
 - The selection of resumes provided should reflect origination/underwriting experience, servicing experience and secondary marketing experience
 - For multifamily applicants, a minimum of two resumes reflecting multifamily experience must be provided.
 - Ensure that the following information is present on each resume:
 - Name
 - Social security number
 - Date of birth
 - Current address
 - Current position - description of duties and date (month and year) started work
 - Work history - breakdown of duties, including date (month and year) for each position
 - Original signature and date