

CHAPTER 3: SINGLE-FAMILY POOLS

PART A. DESCRIPTION OF SINGLE-FAMILY POOLS

This Chapter describes custodial requirements for the following pool types referred to hereinafter as “Single-Family Pools”. The Chapter in the Guide specifically pertaining to the individual programs is identified below.

Pool Type	Ginnie Mae MBS Guide
Single-Family, Level Payment Mortgages Pools	Chapter 24
FHASecure, Level Payment Mortgages	Chapter 33
Buy Down Mortgages Pools	Chapter 25
Adjustable Rate Pools	Chapter 26
Graduated Payment Mortgage Pools	Chapter 27
Growing Equity Mortgage Pools	Chapter 28
Serial Note Pools	Chapter 29

For purposes of this Manual, all of the above pool types are collectively referred to as “single-family.”

RESPONSIBILITIES

In accordance with the conditions of the Master Custodial Agreement, form [HUD-11715](#) ([Appendix III-4](#) of the Guide) (“form HUD11715”), and the certification required on the Schedule of Pooled Mortgages, form [HUD-11706](#) ([Appendix III-7](#) of the Guide) (“form HUD-11706”), and the Guide, the Issuer must deliver the documents set forth below to the document custodian at the premises indicated on the form [HUD-11706](#). At the discretion of the document custodian and the Issuer, documents may be delivered incrementally or after all required documents have been received for individual loan files. However, the Issuer may not collect all documents relating to an entire pool before forwarding the documents to the document custodian.

It is the document custodian’s responsibility to:

- Accept the documents when delivered;
- Ascertain that the documents relate to the loans listed on the related form [HUD-11706](#);
- Review documents for completeness and consistency in accordance with the review procedures required by this Manual and by Chapters [11](#) and [13](#) of the Guide;
- Notify the Issuer of any documents received that require correction or completion before certification can be made; and
- Certify that the documents received satisfy the requirements of initial and final certification and, if necessary, recertification.

It is the Issuer’s responsibility to correct or resolve defects, or to provide the document custodian with adequate clarification for those defects that are not considered material.

Ginnie Mae may in its sole discretion, require Issuers who fail to meet certification or recertification deadlines to take action to mitigate Ginnie Mae’s risk exposure. Such action may include, but may not be limited to a letter of credit. For an Issuer subject to the letter of credit requirement or other mitigation

measure, the document custodian must indicate and attest to Ginnie Mae those loans that do not meet certification requirements.

PART B. INITIAL CERTIFICATION

By an “Initial Certification”, the document custodian certifies to Ginnie Mae that the Issuer has submitted the minimum loan, pool, or loan package documents required to allow a Ginnie Mae security to be issued. This Part B provides an overview of the Initial Certification procedures for pools submitted electronically through GinnieNET and in hard copy. This part also provides the list of pool and loan or loan package documents (“MBS Program Pool documents”) required for Initial Certification, and detailed review procedures the document custodian is required to perform on the MBS Program Pool documents to confirm their completeness and consistency.

Certifications may be performed by an employee who is not an officer of the Document Custodian if that employee has been specifically authorized by appropriate internal delegations of authority to do so. The Document Custodian must be able to provide evidence of such authorization upon the request of Ginnie Mae or its agent.

Section 1. Overview of Initial Certification Process for Pools Submitted Electronically through GinnieNET

- (a) The Issuer submits and the document custodian receives the MBS Program Pool documents as required in [Part B, Section \(3\), Required Documents for All Single Family MBS Program Pools](#), and if applicable, [Part B, Section \(4\), Additional Required Documents for Modified Loans](#), or [Part B, Section \(5\), Additional Required Documents for Consolidation, Extension & Modification Agreement \(NY CEMA\)](#) of this Chapter.
- (b) The document custodian retrieves the relevant Schedule of Pooled Mortgages (“[Appendix III-07](#) of the Guide”) (“form [HUD-11706](#)”) from GinnieNET and prints it.
- (c) The document custodian reviews the loan documents in accordance with [Part B, Section \(6\), Document Review Procedures for Initial Certification](#), of this Chapter, verifies the information in the form [HUD-11706](#), and determines whether to provide an Initial Certification or reject the pool. If the document custodian decides to provide an Initial Certification for the pool, the custodian will execute and transmit the Initial Certification via GinnieNET following the instructions in the [GinnieNET Custodian Guide](#).
- (d) The document custodian transmits the certification or rejection over the GinnieNET system.
- (e) The document custodian places the loan documents in safekeeping.
- (f) Upon completing the initial certification, the document custodian prints out a copy of the form [HUD-11706](#) and places it in the pool master file. The form [HUD-11706](#) placed in the master file must reflect the wet signature of the employee of the Document Custodian who authorized the GinnieNET submission, except that, the form [HUD-11706](#) may be placed in the master file without a wet signature if it is accompanied by a printout of the GinnieNET Host communications results Report containing the File Transmission Number (“FTN”) for the relevant certification.

Section 2. Overview of Initial Certification Process for Pools Submitted in Hard Copy

- (a) The Issuer submits and the document custodian receives in hard copy the relevant form [HUD-11706](#) as well as the MBS Program Pool documents required by [Part B, Section \(3\), Required Documents for All Single Family MBS Program Pools](#), and if applicable, [Part B, Section \(4\),](#)

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[Additional Required Documents for Modified Loans](#), or [Part B, Section \(5\), Additional Required Documents for Consolidation, Extension & Modification Agreement \(NY CEMA\)](#) of this Chapter.

- (b) The document custodian reviews the submission in accordance with [Part B, Section \(6\), Document Review Procedures for Initial Certification](#), of this Chapter . If the documents are in order the document custodian makes its Initial Certification on the back of the form [HUD-11706](#). If the form [HUD-11706](#) consists of more than one page, the original signature need only be affixed to the last page.
- (c) The Document Custodian's Initial Certification must be made by the original signature of an authorized employee of the Document Custodian. If the Schedule of Pooled Mortgages consists of more than one page, the original signature need only be affixed to the last page.
- (d) After signing the Initial Certification, the document custodian places the loan documents and copies of the pool submission documents in safekeeping and, based on the Issuer's instructions, sends the pool or loan package submission documents and the original certification to the PPA. All pool or loan package submission documents required in connection with an Initial Certification must be submitted to the PPA as a complete package.
- (e) The document custodian must deliver a copy of the signed form [HUD-11706](#) evidencing Initial Certification to the Issuer and place the original signed [HUD-11706](#) in the pool or loan package master file.

Section 3. Required Documents for all Single Family MBS Program Pools

For initial certification, the document custodian must obtain from the Issuer the following properly executed pool and loan documents:

- (a) Form [HUD-11706](#);
- (b) Certification and Agreement, form [HUD-11711B](#) ([Appendix III-5](#) of the Guide) ("form [HUD-11711B](#)") - If the form [HUD-11711B](#) indicates a second party interest in any pooled mortgage, at least one original Release of Security Interest, form [HUD-11711A](#) ([Appendix III-5](#) of the Guide) ("form [HUD-11711A](#)"), is required. If there are no second party interests in the pooled mortgages, a form [HUD-11711A](#) is not required;
- (c) The original note or other evidence of indebtedness (including documents required for modified loans) endorsed in blank and without recourse by the pooling Issuer. In all cases, the last endorsement is required to be made by the pooling Issuer in blank and without recourse. Ginnie Mae requires that the chain of endorsements from the originator of the loan to the pooling Issuer of the note be complete; and
- (d) If the Issuer did not originate the loan, all recorded intervening assignment(s) in the loan file must document a complete chain of title from the originating mortgagee to the pooling Issuer.
 - (i) If the loan is registered with MERS, the Issuer must provide a complete chain of intervening assignments from loan origination up to and including the assignment to MERS. If the loan was originated with MERS as the Original Mortgagee ("MOM"), no intervening assignments will be required as long as the loan remains registered with MERS.
 - (ii) If the loan is not registered to MERS, all intervening assignments from the originator to the pooling issuer must be complete. If the intervening assignments provide recording information, verify that the information is complete.

- (iii) At initial certification the Issuer may use a blanket certification which certifies that all intervening assignments for mortgages located in the same recording jurisdiction have been transmitted for recordation.
- (iv) As an alternative to individual intervening mortgage assignments, a blanket intervening assignment is acceptable if it is allowed in the jurisdiction in which the mortgaged properties are located, as documented in an opinion from qualified outside legal counsel. Blanket intervening assignments to an Issuer can be made for mortgages as long as the mortgaged properties are located in the same recording jurisdiction.

Section 4. Additional Required Documents for Modified Loans

The document custodian must obtain from the Issuer the following additional properly executed pool and loan documents for initial certification of modified loans that are being -pooled:

- (a) The original recorded loan modification agreement, or a copy of the loan modification agreement sent for recordation, unless the property is located in Puerto Rico, in which case recordation is not required;
- (b) If a subordination agreement has been provided by the Issuer, the document custodian must confirm that it is either the original recorded subordination agreement, or a copy of the subordination agreement sent for recordation;
- (c) The original note; and
- (d) For loans modified on or after January 1, 2005, the original recorded security instrument as follows:
 - (i) Modified less than 1 year from loan origination: a copy of the security instrument sent for recording; or
 - (ii) Modified 1 year or more from loan origination: the original recorded security instrument. A copy of the recorded security instrument is acceptable only if the original is lost.

If the loan modification agreement is electronically signed and notarized, the following additional requirements must be met:

- (a) A copy of the loan modification agreement submitted for recordation;
- (b) The file containing the loan modification agreement is delivered as a MISMO Category 1, 2 or 4 Version 1.02 SmartDoc document or Portable Document Format (PDF) document;
- (c) If the loan modification agreement is signed electronically, printed, and submitted for recording in hard copy, with the hard copy retained by the county or state recorder's office, then the Custodian may accept an electronic copy of the loan modification agreement bearing evidence of recordation and reflecting the certification of the county or state recorder's office that such copy is a true copy of the original recorded loan modification agreement;
- (d) The loan modification agreement should be transferred in a manner that ensures its ongoing validity and enforceability and its associated electronic signatures;
- (e) The loan modification agreement file should be stored in a manner ensuring:
 - (i) The file name contains the following components: Ginnie Mae Loan Package/Pool Number, the loan's MIN (MERS® Mortgage Identification Number), and short description of the document; and

- (ii) The system used to store the file is set up with measures that ensure system integrity. These measures include a firewall, network perimeter security controls, and safeguards against malware. The system must also support one or more authentication methods to authenticate user access, track and prevent unauthorized viewing of the files and data. The system must employ a backup and recovery system capable of retrieving archived/backup material within a 24-hour period of a reported instance or activation of the Custodian's disaster recovery plan involving any Ginnie Mae's assets; and
- (f) If the Loan Modification Agreement is electronically notarized using Remote Online Notarization (RON), notarization requirements specified in MBS Guide, Chapter 24, Part 3, § A (2) (b) must be met.

Section 5. Additional Required Documents for Consolidation, Extension & Modification Agreements (NY CEMAs).

Issuers may document refinanced mortgages secured by property located in New York State by using a NY CEMA. The NY CEMA specifically joins into one set of rights and obligations all of the promises and agreements stated in existing notes and mortgages secured by the mortgaged premises, including if new funds are advanced to the mortgagor at the time of the consolidation, a new note and mortgage. The result is that the mortgagor has one loan obligation that is paid in accordance with the terms of the NY CEMA.

Issuers originating a refinanced mortgage using a NY CEMA for a property located in New York State for delivery to Ginnie Mae must use a current version of the New York Consolidation, Extension and Modification Agreement, Single-Family Fannie Mae/Freddie Mac Uniform Instrument (Form 3172). The Issuer must deliver to the document custodian the complete NY CEMA delivery package listed below, together with a separate, originally executed consolidated note, to allow for initial certification and pooling:

- (a) The original consolidated note endorsed in blank and without recourse by the pooling Issuer. In all cases, the last endorsement is required to be made by the pooling Issuer in blank and without recourse. Ginnie Mae requires that the chain of endorsements from the originator of the loan to the pooling Issuer of the note be complete;
- (b) A copy of the New York Consolidation, Extension, and Modification Agreement, Fannie Mae/Freddie Mac Uniform Instrument Form 3172, including the exhibits described below, sent for recording:
 - (i) Exhibit "A" (listing of all previous notes & mortgages being consolidated, extended and modified);
 - (ii) Exhibit "B" (property description);
 - (iii) Exhibit "C" (copy of the executed consolidated note); and
 - (iv) Exhibit "D" (copy of the consolidated mortgage).

Items listed above in [Section 3, Required Documents for All Single Family MBS Program Pools](#), are required for each pooled mortgage. In no case may a Request for Release of Documents, form [HUD-11708](#) ([Appendix V-5](#) of the Guide) ("form [HUD-11708](#)") substitute for a required loan document at the time the document custodian performs an initial certification. Releases may only be processed after the document custodian delivers its certification to Ginnie Mae via hard copy or through GinnieNET.

Section 6. Document Review Procedures for Initial Certification

At a minimum, the document custodian is required to perform the following review procedures on the pool and loan documents to confirm their completeness and consistency. Any defects discovered based on performing the review procedures must be referred to the Issuer in a timely manner for correction.

It is important to note that while the Issuer may authorize the document custodian to make corrections to the documents, Ginnie Mae ultimately holds the Issuer responsible for the acceptability of the documents.

(a) Procedures for Reviewing the Form [HUD-11706](#)

- (i) Verify that the total number of loans reported on the form [HUD-11706](#) is consistent with the loan files received.
- (ii) Verify that the form [HUD-11706](#) has been completely filled out for both the Issuer and document custodian, including the Ginnie Mae identification numbers of each entity.
- (iii) File the form [HUD-11706](#) in the related Pool Master File.

(b) Procedures for Reviewing the Form [HUD-11711B](#)

- (i) Verify that the pool number on the form [HUD-11711B](#) agrees with the Ginnie Mae pool/loan package number on the related form [HUD-11706](#).
- (ii) Determine that one of the two boxes on the form has been checked.
- (iii) The form [HUD-11711B](#) indicates that there is a second-party security interest in any pooled mortgage, verify that there is an original executed form [HUD-11711A](#) corresponding to the affected mortgage(s).
- (iv) File the forms [HUD-11711A](#) and [HUD-11711B](#), if required, in the Pool Master File. If the document custodian determines, or has reason to suspect, that an Issuer's certification is incorrect, the document custodian must refuse the form [HUD-11711B](#) until the certification issues have been resolved.

(c) Procedures for Reviewing the Promissory Note (or other evidence of indebtedness)

- (i) Verify that each item listed below is the same on both the promissory note and the related form [HUD-11706](#):
 - (A) Mortgagor name(s);
 - (B) Principal amount
 - (C) Interest rate
 - (D) Monthly principal and interest payment
 - (E) Term of the loan (first and last payment due dates);
 - (F) Property street address, city and state (if property address is included on the note);
 - (G) Verify the mortgage margin for ARMs
 - (H) Verify the interest rate change date for ARMs;
 - (I) Verify the index type for ARMs,
 - (J) Verify the interest rate cap structure for ARMs, including the initial, subsequent and lifetime interest rate cap structure on the note.

The interest rate change date, index type and interest rate cap structure must be the same for every ARM note in the pool.

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If a new note is signed due to changes resulting in a note with a different principal amount or P&I constant, which does not match the form [HUD-11706](#), the pool may not be certified. The document custodian must notify the Issuer. The Issuer must make the necessary corrections to the form [HUD-11706](#) and resubmit the pool for certification.

A note is deemed unacceptable if there are changes that materially affect the terms of the note and these changes are not initialed by the mortgagor(s). Material changes include changes to the original loan amount, interest rate, monthly payment or maturity date, or deletion of any of the mortgage covenants.

After verifying the consistency and accuracy of information on the form [HUD-11706](#) and the promissory note under this Section (6) the form [HUD-11706](#) will then be the source document to be used to verify information on all other documents at final certification.

- (ii) Verify that each signature on the note agrees with the name typed below the signature line on which it appears. If a signature varies from the typed name, the degree of variance determines the acceptability of the document for certification. If the variation is a missing middle initial or the omission of “Jr.” or “Sr.”, it is deemed acceptable. Other acceptable variations include a mortgagor over-signing or undersigning the document, such as the mortgagor signing either as George Allen Smith, G. A. Smith or George Smith when the typed name is George A. Smith or vice versa. If there is a contradiction between the typed name and the signed name other than the types of variances discussed above, an original copy of the notarized name affidavit must be provided.

If the note has been executed by an attorney-in-fact, a copy of the power of attorney must be included in the file and must be executed on or before the date of execution of the note. The copy of the power of attorney must be notarized and if the property address is present, verify it matches the property address on the note. The power of attorney must have been active and valid, at the time the note was executed. If the power of attorney specifically addresses real estate transactions, verify its terms permit the mortgage transaction to which it is attached. If using Remote Online Notarization (RON) for power of attorney, the electronic signature and notarization requirements specified in MBS Guide, Chapter 24, Part 3, § A (2) (b) must be met.

If the note is secured by a security interest in real property for which a living trust holds title, (1) verify that at least one signature appears on the promissory note as trustee, (2) ensure that the trustee(s) signature(s) identifies the related trust and the date of the trust, and (3) verify that at least one signature appears on the promissory note in a borrower capacity.

- (iii) Verify that a complete chain of endorsements exists from the loan originator to the pooling Issuer. Ginnie Mae requires that the chain of endorsements from the loan originator to the pooling Issuer be complete.

The endorsement by the pooling Issuer should be on the note, be in blank, and should not include a date. Allonges may be used as long as they are enforceable and meet the requirements of the jurisdiction in which the mortgaged property is located. The allonge must be an original, must clearly reference the note, and must be firmly affixed to the note.

The Issuer is responsible for ensuring that each allonge meets the requirements of the jurisdiction in which the property is located and enforceable. Allonges may not be used in jurisdictions where their use is not allowed.

- (iv) Verify that the undated endorsement in blank and without recourse was made by an authorized officer of the Issuer by comparing the signature on the endorsement to the

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Resolution of Board of Directors and Certificate of Authorized Signers, form [HUD-11702](#) ([Appendix I-2](#) of the Guide) (“form HUD-11702”). It is the Issuer’s responsibility to ensure that the document custodian has a current copy of form [HUD-11702](#).

Ginnie Mae permits the use of facsimile signatures when placing endorsements on original notes and allonges, provided that the following conditions are met:

- (A) The use of facsimile signatures is acceptable under the laws of the relevant jurisdiction in which the property is located;
- (B) Such signatures are not prohibited under the Issuer’s corporate charter and are either permitted by the Issuer’s bylaws or authorized by a corporate resolution duly enacted by the Issuer’s board of directors; and
- (C) Such signatures must be notarized when required by jurisdictional law.

Examine the promissory note for sections requiring a notarization, acknowledgment or witness. If any are present, verify that such sections have been completed.

- (v) Verify that each rider, allonge or addendum relates to and references the note. The note may reference the allonge, but such reference is not required. The rider, allonge or addendum must be an original if it requires a signature. If an allonge is required for a note correction, the corrective documents must be filed with the original note.
- (vi) If the note has been lost in transit to the document custodian, or in some other way, prior to initial certification of the pool, then the Issuer must obtain the borrower’s original signature on a copy of the pooled note, or the pool may not be certified.

If the pooled note is missing, the document custodian must request that the Issuer provide a copy of the pooled note with original signatures by the mortgagors. Neither a lost instrument bond nor a lost note affidavit may substitute for a missing pooled note at the time of initial certification.

However, for NY CEMAs and loan modifications, a lost instrument bond with limited liability, in the form prescribed by Ginnie Mae, is permitted as indicated below, if it has been obtained from an unaffiliated insurance or surety company and is accompanied by the appropriate power of attorney and certification as required by the insurance or surety company.

- (A) NY CEMAs—A lost instrument bond may substitute for a prior note listed in “Exhibit A” of the Consolidated Note and must be in an amount that is at least the amount represented by the missing note.
- (B) Modified Loans—A Lost Instrument Bond may substitute for the note executed at the time the loan was made and must be for the full amount of the missing note.

Note: Appendix I of this Document Custodian Manual is the form of the lost instrument bond with limited liability that is prescribed by Ginnie Mae and must be used. Substitution of a different form will not be accepted. Lost note affidavits are not acceptable.

(d) Procedures for Reviewing the Security Instrument Assignments

- (i) Individual Mortgage Intervening Assignments
 - (A) Verify that all intervening assignments follow a complete chain of title from the original lender to the Issuer or MERS. If MERS is designated in the security instrument as the Original Mortgagee (“MOM”), no intervening assignments will be required as long as the loan remains registered with MERS.
 - (B) Ginnie Mae requires a chain of assignments from the originator of the mortgage loan to the current Issuer. The mortgage assignments must be complete. The note
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endorsement may be from the originator to company “C” and the intervening assignments may be from the originator to company “B”, then to company “C”. Both the note and security instrument must have a complete chain of title, even if the two chains are not identical.

- (C) Verify that all intervening assignments have been transmitted for recordation, if required. The Issuer may generate a blanket certification for each individual pool in letter form certifying that all intervening assignments have been transmitted for recordation. Copies of the intervening assignments are not required at initial certification if the Issuer provides a blanket certification. The intervening assignments may be recorded concurrently with the security instrument or immediately thereafter. Ginnie Mae will accept marginal assignments in the margin of the security instrument if such documents are acceptable in the relevant recording jurisdiction.
 - (D) Verify that the mortgagor name(s) on the assignment agree(s) with the mortgagor name(s) on the form [HUD-11706](#).
 - (E) If an intervening assignment is presented that bears no evidence of being transmitted for recordation, it must be accompanied by an individual mortgage legal opinion from outside legal counsel qualified to practice law in the jurisdiction in which the property is located. The legal opinion must state that the assignment(s) are enforceable in the jurisdiction where the mortgaged property is located. The original legal opinion letter must be filed in the loan file.
- (ii) Blanket Intervening Assignments
- (A) Blanket intervening assignments to an Issuer can be made for mortgages in separate and distinct pools that are in the same recording jurisdiction.
 - (B) Verify that all blanket intervening assignments have been certified by the Issuer as having been transmitted for recordation.
 - (C) Verify that a copy of each blanket intervening assignment is maintained in each loan file to which the blanket intervening assignment applies and that a copy of the recorded blanket intervening assignment sent for recording is maintained in the applicable Pool Master File. The recorded original blanket intervening assignment when received is maintained in the Issuer Master File.
 - (D) Ginnie Mae permits the use of a blanket intervening assignment certification form in lieu of making a copy of the recorded blanket intervening assignment sent for recording for each loan. The certification form must be placed in each loan file where the loan was assigned on a blanket intervening assignment, and must state that the recorded original blanket intervening assignment will be held in the Issuer Master File.
 - (E) A blanket intervening assignment is acceptable if it is allowed in the jurisdiction in which the mortgaged properties are located, as documented in an opinion from qualified outside legal counsel. Blanket intervening assignments to an Issuer can be made for mortgages as long as the mortgaged properties are located in the same recording jurisdiction.

Note: Security instrument assignments (both individual mortgage intervening assignments and blanket intervening assignments) are not required in Puerto Rico.

- (e) Additional Procedures for Reviewing Modified Loans
 - (i) Loan Modification Agreement
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- (A) Verify that each item listed below is the same on both the loan modification agreement and the security instrument executed at the time of loan origination:
- (1) Mortgagor name(s);
 - (2) Date of original security instrument;
 - (3) Property address; and
 - (4) Legal description;

- (B) Verify the name(s) of all persons (or their authorized representative(s)) who signed the original security instrument unless a mortgagor or co-mortgagor is deceased or has been released from liability; or a new borrower has been added to the loan through the modification and the file contains appropriate documentation. Verify that any required notarization, acknowledgment, or witness sections have been completed.

If the loan modification agreement is electronically signed, verify that the borrower(s) signed using an eSignature(s) and that the form of eSignature was not an audio or video recording or comprised exclusively of biometric data.

If the notarization was performed via Remote Online Notarization (RON), verify that the notarial certificate or notary seal indicates the notarization was performed via RON (e.g., by “audio-video communication technology”).

- (C) If the modification agreement is secured by a security interest in real property for which a living trust holds title, (1) verify that at least one signature appears on the modification agreement, (2) ensure that the trustee(s) signature(s) identifies the related trust and the date of the trust, and (3) verify that at least one signature appears on the modification agreement in a borrower capacity.
- (D) Loan modification agreements for properties in Puerto Rico are not required to be recorded.
- (E) FHA Advance Loan Modification (ALM) loans that do not meet the standard documentation requirements of the MBS Guide and this Manual, are not eligible for pool issuances on or after June 1, 2023.

(ii) Security Instrument

- (A) Verify that each item listed below is the same on both the security instrument and the original promissory note:
- (1) Mortgagor name(s); and
 - (2) Property address;

(f) Additional Procedures for Reviewing NY CEMA Loans.

The following procedures must also be performed for purposes of initial certification of pools containing NY CEMA loans:

(i) Consolidated Note

- (A) Verify that the note contains the following language:

- (1) For fixed rate notes:

“Consolidated note

This note amends and restates in their entirety, and is given in substitution for, the notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this note.”

- (2) For adjustable rate notes:

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“Consolidated Adjustable Rate note

This note amends and restates in their entirety, and is given in substitution for, the notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this note.”

- (B) Verify that each item listed below is the same on both the consolidated note and the related form [HUD-11706](#):
- (1) Mortgagor name(s);
 - (2) Principal amount);
 - (3) Interest rate
 - (4) Monthly principal and interest payment
 - (5) Term of the loan (first and last payment due dates);
 - (6) Property street address, city and state (if property address is included on the note);
- (C) Verify the mortgage margin for ARMs
- (1) Verify the interest rate change date for ARMs;
 - (2) Verify the index type for ARMs,
 - (3) Verify the interest rate cap structure for ARMs, including the initial, subsequent and lifetime interest rate cap structure on the note.
- (D) Verify that the interest rate change date, index type and interest rate cap structure are the same for every note in the pool.

If a new consolidated note is signed due to changes resulting in a consolidated note with a different principal amount or P&I constant, which does not match the form [HUD-11706](#), the pool may not be certified. The document custodian must notify the Issuer. The Issuer must make the necessary corrections to the form [HUD-11706](#) and resubmit the pool for certification.

A consolidated note is deemed unacceptable if there are changes that materially affect the terms of the note and these changes are not initialed by the mortgagor(s). Material changes include changes to the original loan amount, interest rate, monthly payment or maturity date, or deletion of any of the mortgage covenants.

- (E) Verify that each signature on the consolidated note agrees with the name typed below the signature line on which it appears. If a signature varies from the typed name, the degree of variance determines the acceptability of the document for certification. If the variation is a missing middle initial or the omission of “Jr.” or “Sr.”, it is deemed acceptable. Other acceptable variations include a mortgagor over-signing or undersigning the document, such as the mortgagor signing either as George Allen Smith, G. A. Smith or George Smith when the typed name is George A. Smith or vice versa. If there is a contradiction between the typed name and the signed name other than the types of variances discussed above, an original copy of the notarized name affidavit must be provided.

If the consolidated note is executed by an attorney-in-fact, a copy of the power of attorney must be included in the file and should be executed on or before the date of execution of the note. The copy of the power of attorney must be notarized and if the property address is present, verify that it matches the property address on the note. The power of attorney must have been active and valid at the time the consolidated note was executed. If the power of attorney specifically addresses real estate transactions, verify that its terms permit the

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mortgage transaction to which it is attached. If using Remote Online Notarization (RON) for power of attorney, the electronic signature and notarization requirements specified in MBS Guide, Chapter 24, Part 3, § A (2) (b) must be met.

- (F) If the consolidated note is secured by a security interest in real property for which a living trust holds title, (1) verify that at least one trustee signature appears on the consolidate note, (2) ensure that the trustee(s) signature(s) identifies the related trust and the date of the trust, and (3) verify that at least one signature appears on the consolidated note in a borrower capacity.
- (G) Verify that a complete chain of signed endorsements exists from the loan originator to the pooling Issuer. Ginnie Mae requires that the chain of endorsements from the loan originator to the pooling Issuer be complete.
- (H) Verify that the endorsement by the pooling Issuer is on the note, in blank, and does not include a date. Allonges may be used as long as they are enforceable and meet the requirements of the jurisdiction in which the mortgaged property is located. The allonge must be an original, must clearly reference the note, and must be firmly affixed to the note.

The Issuer is responsible for ensuring that each allonge meets the requirements of the jurisdiction in which the property is located and is enforceable. Allonges may not be used in jurisdictions where their use is not allowed.

- (I) Verify that the undated endorsement in blank and without recourse was made by an authorized officer of the Issuer by comparing the signature on the endorsement to the Resolution of Board of Directors and Certificate of Authorized Signers, form [HUD-11702](#) ([Appendix I-2](#) of the Guide). It is the Issuer's responsibility to ensure that the document custodian has a current copy of form [HUD-11702](#).

Verify that any facsimile signatures on endorsements meet Ginnie Mae requirements for acceptability in [Part B, Section 6\(c\)\(iv\)](#).

Examine the consolidated note for sections requiring a notarization, acknowledgment or witness. If any are present, verify that such sections have been completed.

- (J) Verify that each rider, allonge or addendum relates to and references the note. The note may reference the allonge, but such reference is not required. The rider, allonge or addendum must be an original if it requires a signature. If an allonge is required for a note correction, the corrective documents must be firmly affixed to the original note.
 - (K) In the case of a missing consolidated note, the document custodian must request that the Issuer provide a copy of the consolidated note with original signatures by the mortgagors. Neither a lost instrument bond nor a lost note affidavit is acceptable.
- (ii) Consolidation, Extension, & Modification Agreements (NY CEMAs)
 - (A) Verify that a copy of the NY CEMA sent for recording contains the following exhibits:
 - (1) Exhibit "A": Verify that a listing of all previous notes and mortgages being consolidated, extended or modified is present.
 - (2) Exhibit "B": Verify that the property description is present.
 - (3) Exhibit "C": Verify that a copy of the executed consolidated note is present.

- (4) Exhibit “D”: Verify that a copy of the consolidated mortgage is present.

Section 7. Procedures for Completing the Initial Certification

Upon completion of the custodian’s review of the pool and loan documents, the Document Custodian must determine whether to provide an Initial Certification or reject the MBS Program Pool due to non-compliance with Ginnie Mae standards. The applicable procedure for finalizing the Initial Certification Process depends on whether the relevant pool was submitted electronically through GinnieNET or in hard copy.

- (a) Completing the Initial Certification for an MBS Program Pool Submitted in Hard Copy
- (i) the document custodian must date and sign the initial certification on the hard copy of the form [HUD-11706](#). If the form [HUD-11706](#) includes more than one page, the document custodian need only sign the last page.
 - (ii) the document custodian must identify the name, address and Ginnie Mae ID number of the document custodian.
 - (iii) the document custodian must identify the name and title of the authorized employee who signed the certification.
- (b) Completing the Initial Certification for an MBS Program Pool Submitted Electronically Through GinnieNET
- (i) the document custodian retrieves the Schedule of Pooled Mortgages or the Schedule of Pooled Participations and Mortgages from GinnieNET and prints it.
 - (ii) The custodian then executes the initial certification and transmits the certification or rejection over the GinnieNET system, following the instructions in the GinnieNET Document Custodian Guide.
 - (iii) The document custodian then places a copy of the GinnieNET Host Communications Results Report containing the File Transmission Number (“FTN”) for the relevant certification in the pool master file.

PART C. FINAL CERTIFICATION

Section 1. General Guidance

- (a) General Deadlines. Pools must receive final certification within 12 months of the securities issuance date.
- (b) Deadline for MBS Program Pools That Have Been Transferred. The final certification deadline date remains unchanged even when the document custodian at the time of final certification is different from the document custodian that issued the initial certification. Accordingly, the final certification deadline remains unchanged even when the change in document custodial responsibility was necessitated or caused by a transfer of Issuer responsibility. If the new document custodian prepares the final certification, recertification will not be required.
- (c) Prohibited Document Substitutions. A form [HUD-11708](#) with a non-liquidation release reason code may not substitute for a loan document or a promissory note at the time the document custodian reviews the loan file for final certification except as expressly provided herein.
- (i) **Document Requirement Exception:** An Issuer may substitute a [HUD-11708](#) for a loan file that has been released for a non-liquidation reason related to bankruptcy, foreclosure, or loss mitigation with a written attestation, but if, and only if:
 - (A) all documents in the relevant loan file were present and reviewed by the document custodian prior to the file’s release, and;
 - (B) The Issuer attestation must:

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- (1) Be prepared on Issuer's letterhead;
- (2) Include the reasons why the file has been requested for release and why the files cannot be returned to the custodian (bankruptcy, foreclosure, or loss mitigation) prior to the final certification due date);
- (3) Identify the name of the person or entity in possession of the file;
- (4) Be signed by a representative of the entity in possession of the file;
- (5) Identify the Issuer loan number, pool number, and borrower(s) last name(s);
- (6) Include the following language "I certify that I have not knowingly or willfully made or used a document or writing containing any false, fictitious, or fraudulent statement or entry. 18 U.S.C. 1001 provides that whoever does so within the jurisdiction of any department or agency of the United States shall be fined not more than \$10,000 or imprisoned for not more than five years, or both." and
- (7) Be signed by a person authorized to sign for and on behalf of the Issuer and whose signature appears on the form [HUD-11702](#).

Issuers may reference multiple loans on one attestation provided that the loans involved all reside in the same pool and are held by the same document custodian. Document custodians must maintain all written certifications in the pool master file. These certifications may be reviewed and verified as part of Ginnie Mae's compliance review of the Issuer or Custodian.

Section 2. Overview of Final Certification Process for Pools Submitted through GinnieNET

- (a) An Issuer may elect to have a pool or loan package receive final certification through GinnieNET if:
 - (i) it backs securities with an issue date of May 1, 1999 or later;
 - (ii) it was initially certified using GinnieNET; and
 - (iii) neither the Issuer responsibility nor the document custodian responsibility for the pool or loan package has been transferred prior to final certification (other than pursuant to an immediate transfer of Issuer responsibility (PIIT) under [Chapter 10](#), Section 10 of the MBS Guide) upon issuance of the related securities.
- (b) Within 12 months of the date of issuance of securities backed by a pool or loan package that received initial certification, the Issuer must provide the document custodian with the original recorded mortgages listed on the form [HUD-11706](#) and all other documents necessary for final certification.
- (c) The document custodian must review the required documents. If the documents are in order, the document custodian, following the instructions in the GinnieNET Issuer Guide, executes the final certification and transmits the certification over the GinnieNET system. This form must be transmitted and approved by the PPA within 12 months of the issuance date of the securities.
- (d) Upon completing the final certification, the document custodian must ensure that a copy of the form [HUD-11706](#) is placed in the pool or loan package master file. The Issuer must also maintain in its files a copy of the form [HUD-11706](#) bearing the completed final certification.

Section 3. Overview of Final Certification Process for Pools Submitted in Hard Copy

This section is applicable to all pools and loan packages except those receiving final certification through GinnieNET.

- (a) Within 12 months of issuance of securities backed by a pool or loan package of mortgages that was initially certified, the Issuer must provide the document custodian with the original recorded mortgages listed on the form [HUD-11706](#) and all other documents necessary for final certification.

- (b) The document custodian reviews the required documents. If the documents are in order, the document custodian makes its final certification on the back of the form [HUD-11706](#).
- (c) The document custodian's final certification must be made by the original signature of an authorized employee of the document custodian. If the form [HUD-11706](#) consists of more than one page, the original signature need only be affixed to the last page.
- (d) After signing the final certification, the document custodian, based on the Issuer's instructions, either sends the original final certification to the PPA or sends it to the Issuer so that the Issuer can forward it to the PPA. The form must be forwarded to and approved by the PPA within 12 months of issuance of the securities.
- (e) If a pool or loan package is transferred to a new Issuer or to a new document custodian before final certification, the transfer does not extend the final certification deadline.
- (f) The document custodian must deliver a copy of the final certification to the Issuer and place a copy in the pool or loan package master file.

Section 4. Required Documents for all Single Family MBS Program Pools

Within twelve (12) months of issuance, the Issuer is required to deliver the following additional documents to the document custodian for final certification:

- (a) Original security instrument securing repayment of the indebtedness, signed by the mortgagor and recorded. Upon receipt from the recorder's office of the modification agreement and/or original security instrument, the Issuer is required to forward the original recorded document to the document custodian. A copy is acceptable only if the original has been lost and if it clearly shows evidence of recordation.

Original intervening assignments of the security instrument from the originator up to the current Issuer, or to MERS. The assignments must have been recorded and the chain of assignments must be complete. Copies of the intervening assignments are acceptable only if the originals have been lost and if they clearly show evidence of recordation.

- (b) A copy of the Mortgagee's title insurance policy is acceptable.

Continued on next page

- (c) Evidence of Agency Insurance or Guaranty of the Loan (FHA, VA, RD or PIH).

<p style="text-align: center;">Issuer and Document Custodian Requirements for Evidence of Agency Insurance/Guaranty</p>
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Pool Issuance Date	FHA Requirements	VA & RHS Requirements
January 1, 2003 or later	Document custodians may certify loans without evidence of FHA insurance.	Document custodians may certify loans without evidence of guaranty.
Prior to January 1, 2003	Requires one of the following: <ul style="list-style-type: none">• Issuer to provide paper MIC: or• Issuer may direct document custodian to review the duplicate MIC on FHA Connection: or• Issuer may provide a screen print of a duplicate MIC or other evidence of insurance from FHA Connection	Document custodians may certify loans without evidence of guaranty.

Section 5. Additional Required Documents for Modified Loans

The following additional documentation is required for modified loans:

- (a) Original recorded loan modification agreement. A copy is acceptable only if the original has been lost and the copy clearly shows evidence of recordation.

If the loan modification agreement was electronically signed, an electronic image of the loan modification agreement bearing evidence of recordation is required.

- (b) Original recorded subordination agreements, if present. Copies are acceptable if the copies clearly show evidence of recordation.
- (c) Title policy and title policy endorsement reflecting the recordation of the loan modification agreement and subordination agreement(s), ensuring that the total amount of the modified loan is insured and that the modified loan retains first lien position.

An ALTA Form Mortgage Modification Policy (MMP) is acceptable in lieu of an endorsement to the existing title policy provided that the entire modified loan amount is insured under the MMP, subordination agreements, if any, are recorded, and the modified loan retains first lien position.

For loans backing securities issued on January 1, 2016 or earlier, a Mortgage Priority Guarantee (MPG) is acceptable in lieu of an endorsement to the existing title policy provided that the entire modified loan amount is insured under the MPG, subordination agreements, if any, are recorded, and the modified loan retains first lien position.

- (d) FHA Advance Loan Modifications (ALM)—ALMs are not required to be recorded unless the loan modification agreement provides for assignment of rents or leases, in which case, recording is required. Additionally, title policies, endorsements, and/or MMPs are not required for ALMs.

Exception—If the ALM loan modification agreement is recorded, the title insurance requirements in (c) above apply to the ALM.

Section 6. Additional Required Documents for NY CEMA Loans

The following additional documentation is required for NY CEMA loans:

- (a) The original consolidated note endorsed in blank and without recourse by the pooling Issuer. In all cases, the last endorsement is required to be made by the current Issuer in blank and without

recourse. Ginnie Mae requires that the chain of endorsements from the originator of the loan to the current Issuer of the note be complete;

- (b) The original recorded New York Consolidation, Extension, and Modification Agreement or Fannie Mae/Freddie Mac Uniform Instrument Form 3172. A copy is acceptable only if the original has been lost and the copy clearly shows evidence of recordation. The NY CEMA must include the following exhibits:
 - (i) Exhibit "A" (listing of all previous notes & mortgages being consolidated, extended and modified);
 - (ii) Exhibit "B" (property description);
 - (iii) Exhibit "C" (copy of the executed consolidated note);
 - (iv) Exhibit "D" (copy of the consolidated mortgage), and;
- (c) all prior consolidated notes bearing original signatures from each previous modification as listed on Exhibit "A". If a consolidated note is missing, verify that a lost instrument bond is present.

Section 7. Document Review Procedures for Final Certification

For each loan file, the document custodian is required to perform the following review procedures on the documents listed to confirm their completeness and consistency. Any defects discovered during the review process must be referred to the Issuer on a timely basis for correction or resolution.

It is important to note that, while the Issuer may authorize the document custodian to make corrections to the documents, Ginnie Mae ultimately holds the Issuer responsible for document validity.

It also is important to note that all documents that were present for the initial certification must still be present in the file at the time of final certification. An Issuer may substitute a loan file that has been released for a non-liquidation reason related to bankruptcy, foreclosure, or loss mitigation with a written attestation in accordance with the Document Requirement Exception described in [Part C, Section \(1\)\(c\)\(i\)](#) of this Chapter.

(a) Procedures for Reviewing the Security Instrument

- (i) Verify that each item listed below is the same on both the security instrument and the form [HUD-11706](#):
 - (A) Mortgagor name(s);
 - (B) Principal amount;
 - (C) Term of loan (first and last payment due dates);
 - (D) Property street address, city and state (if property address is included on the security instrument).
- (ii) Verify that the date of the security instrument is the same as or later than the date of the promissory note.
- (iii) Verify that the security instrument includes evidence of recording or filing date stamp. Ginnie Mae exempts mortgages in Hawaii and Torrens jurisdictions from this requirement for purposes of final certification due to delays in registration in those jurisdictions. Upon receipt

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of the original mortgage documents from the recorder's office, the Issuer is required to forward said documents to the document custodian.

For loans in Puerto Rico, the document custodian must verify receipt of a copy of the executed mortgage documents affecting the title to the mortgage, filed with the recorder's office. The Issuer must certify that these are copies of the originals and that the original mortgage documents were registered in compliance with local jurisdictional law.

- (iv) Verify that a legal description appears on the security instrument or on an attachment to the instrument.
- (v) Verify that all signatures on the security instrument agree with the signatures on the note. Ginnie Mae requires that if there are multiple mortgagor names on the note, all names should be on the security instrument. If not, an explanation must be placed in the file.

If a signature varies from the typed name, the degree of variance determines whether the document is acceptable for certification. If the variation is a missing middle initial or the omission of "Jr." or "Sr.", it is deemed acceptable. Other acceptable variations include a mortgagor over-signing or undersigning the document, such as the mortgagor signing either as George Allen Smith, G. A. Smith or George Smith when the typed name is George A. Smith or vice versa. If there is a contradiction between the typed name and the signed name other than the types of variances discussed above, a copy of the original notarized name affidavit must be provided.

- (vi) Examine the security instrument for the completion of any required notarization, acknowledgment, or witness. Verify that any required notarization, acknowledgment, or witness sections have been completed.
- (vii) Verify that the trustee's name appears on the security instrument, if applicable.
- (viii) Verify that any rider or addendum properly relates to the security instrument by confirming that the appropriate box has been checked on the security instrument. If the rider box is not checked and the rider is attached, it is acceptable for certification purposes. If the rider box is checked and the rider is not attached, it is not acceptable for certification purposes.
- (ix) Verify that any rider or addendum is recorded and that the recording information corresponds to the security instrument.
- (x) Ginnie Mae will accept a copy of the recorded security instrument only if the original has been lost and the copy clearly shows evidence of recordation.

(b) Procedures for Reviewing Intervening Assignments

- (i) Determine that intervening security instrument assignments, copies of which were certified as having been transmitted by the Issuer for recordation prior to initial certification, have been replaced at final certification with recorded originals if jurisdictional law requires recording, or a copy that clearly shows evidence of recordation. As necessary, perform additional procedures cited in Part B, Sections [\(6\)\(d\)\(i\)](#) and [\(6\)\(d\)\(ii\)](#).
- (ii) For Hawaii and Torrens jurisdictions, the document custodian must verify receipt of a copy of the executed assignment(s) affecting the title to mortgages that were filed with the recorder's office. The Issuer must certify that these are copies of the originals submitted to the recorder's office for recordation. Upon receipt of the original assignments from the

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recorder's office, the Issuer is required to forward said documents to the document custodian.

For Puerto Rico, when a security instrument is constituted to secure title conveyable by endorsement or to the bearer, the security instrument right shall be considered conveyed along with the title, without the need to notify the debtor or note the conveyance in the registry.

If the security instrument requires re-recording due to changes in its payment terms, then the intervening assignments would also require re-recording and the mortgagee title insurance policy must be brought forward ("date down" the policy) to the re-recording date.

- (iii) Ginnie Mae will accept minor errors and typographical mistakes on the intervening assignments as long as the recording reference is correct. For jurisdictions where recordation is not required, the document custodian must confirm that there is a legal opinion from qualified outside legal counsel licensed to practice law in the jurisdiction in which the property is located. The legal opinion must state that the intervening assignment is enforceable in the jurisdiction where the secured property is located. This opinion should be maintained by the document custodian in the Issuer Master File. The original unrecorded assignment must be maintained in the appropriate loan file.
- (iv) Ginnie Mae will accept copies of the recorded assignments only if the originals have been lost and if the copies clearly show evidence of recordation.
- (v) Ginnie Mae requires that the original recorded blanket intervening assignment be maintained in the custodial Pool Master File with copies in the individual loan files. A copy of the recorded blanket intervening assignment is acceptable only if the original has been lost and the copy clearly shows evidence of recording.

Ginnie Mae permits the use of a blanket intervening assignment certification form. The certification form must be placed in each loan file where the loan was assigned on the blanket intervening assignment along with the original or copy of the recorded blanket intervening assignment (clearly showing evidence of recordation) maintained in the Pool Master File.

- (c) Procedures for Reviewing Mortgagee Title Insurance – (Not Applicable to HUD-Disposition, Hawaiian Homelands, or VA Vendee Loans)
 - (i) Verify that an original title policy, where applicable, or a duplicate original signed (or countersigned) by the title company has been delivered that includes Schedules A, B, and Conditions and Stipulations or comparable information. A countersignature is acceptable on a title policy if the policy is issued by an agent of the insuring title company. A countersignature is not required if the title policy is issued by the insuring company. It is also acceptable for the title policy to carry facsimile signatures. A copy of the complete mortgagee title insurance policy is acceptable.
 - (ii) Confirm that the title policy has a policy number.
 - (iii) Compare each of the following items, appearing on Schedule A of the title policy, to the security instrument:
 - (A) Date of title insurance policy, which must be the same as or later than the recording date on the security instrument. In some jurisdictions, however, the title insurance policy is delivered prior to recordation of the security instrument and may be dated

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earlier. In those instances, the Issuer must supply evidence that effective coverage is provided. The policy may contain language that states that the title company insures, as of the date of the policy, against loss or damage sustained or incurred by the insurer by reason of the priority of any lien or encumbrance over the lien of the insured mortgage.

In jurisdictions where the security instrument is indexed before being recorded, the title policy must evidence effective coverage. As evidence, some title companies issue an endorsement to the title policy insuring against loss as of the date of the policy.

If a re-recording of the security instrument occurs for the purpose of altering any of the payment terms, the title insurance must be brought forward (“date down” the policy) to the re-recording date. This is not necessary in cases of misspellings or corrections of mortgagor name(s) and/or property address corrections.

- (B) Amount of insurance coverage for the lender, which must be no less than the original amount of the mortgage or the maximum graduated payment mortgage amount, whichever is higher.

If the amount of title insurance is less than the original loan amount, the unpaid principal balance of the loan must be less than the title insurance coverage. This balance must also be supported by a loan history or a Ginnie Mae waiver letter to indicate why the insured amount is different.

- (iv) Verify that each item listed below, appearing in the mortgage information clause to Schedule A, agrees with the security instrument:

- (A) Mortgagor name(s). (Minor misspellings of mortgagors name(s) are acceptable);
- (B) Trustee name(s), if applicable; and
- (C) Principal amount.

- (v) Verify that the legal description on Schedule A includes either of the following:

- (A) A phrase that specifically references the legal description in the security instrument;
or
- (B) A complete legal description.

Ginnie Mae requires that the legal description on Schedule A exactly matches the legal description on the security instrument.

- (vi) Verify that the named insured under the title insurance policy is the name of the mortgagee and “its successors and/or assigns.” If the definition of “insured” did not include each ownership successor or assignee of the indebtedness secured by the mortgage, then the policy must be accompanied by an endorsement to the Issuer as the mortgagee. All standard ALTA policies include each successor in ownership of the indebtedness secured by the mortgage in the definition of “insured”.

- (vii) If a short form title policy is used, the following information must be verified:

- (A) Date of title insurance policy, which must be the same as or later than the recording date on the security instrument; in some jurisdictions, however, the title insurance policy is

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delivered prior to recordation of the security instrument and may be dated earlier. In these instances, the Issuer must supply evidence that effective coverage is provided. The policy may contain language which states that the title company insures, as of the date of the policy, against loss or damage sustained or incurred by the insurer by reason of the priority of any lien or encumbrance over the lien of the insured mortgage.

In jurisdictions where the security instrument is indexed before being recorded, the title policy must evidence effective coverage. As evidence, some title companies issue an endorsement to the title policy insuring against loss as of the date of the policy.

If a re-recording of the security instrument for the purpose of altering any of the payment terms occurs, the title insurance must be brought forward (date down the policy) to the re-recording date. This is not necessary in cases of misspellings or corrections of mortgagor names(s) and/or property address corrections.

- (B) Amount of insurance coverage for the lender, which must be no less than the original amount of the mortgage or the maximum graduated payment mortgage amount, whichever is higher.

If the amount of title insurance is less than the original loan amount, the unpaid principal balance of the loan must be less than the title insurance coverage, and supported by a loan history or a Ginnie Mae waiver letter stating why the insured amount is different.

- (1) Mortgagor name(s). (Minor misspellings of mortgagors name(s) are acceptable).
- (2) Property street address, including city and state.
- (3) Date of security instrument.

- (viii) Verify that the named insured under the title insurance policy is the name of the mortgagee and “its successors and/or assigns.” If the definition of “insured” did not include each ownership successor or assignee of the indebtedness secured by the mortgage, then the policy must be accompanied by an endorsement to the Issuer as the mortgagee.

All standard ALTA policies include each successor in ownership of the indebtedness secured by the mortgage in the definition of “insured.”

Due to variances between states in title insurance policy form requirements, to the extent any of the information above does not appear on the title insurance product, an opinion from qualified outside legal counsel must be obtained that states that the absence of such information does not invalidate the title insurance policy coverage.

- (ix) If a clerk-certified Torrens certificate or an original attorney’s opinion which references an abstract of title has been provided, procedures in [Part C, Section \(7\)\(c\), Procedures for Reviewing Mortgagee Title Insurance](#) should be modified appropriately. The attorney opinion or abstract of title must be dated on or after the date the mortgage was recorded.
- (x) If a master title policy is used, a copy of the certificate of title must be placed in the loan file and the procedures in [Part C, Section \(7\)\(c\), Procedures for Reviewing Mortgagee Title Insurance](#), should be modified accordingly.
- (A) For PIH Section 184 loans, if a Title Status Report (TSR), in the case of a leasehold mortgage on tribal trust land or allotted trust land is provided, procedures in [Part C, Section \(7\)\(c\), Procedures for Reviewing Mortgagee Title Insurance](#), should be modified appropriately.
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- (B) Verify the existence of an adjustable rate or condominium endorsement to the title insurance policy if an adjustable rate and/or condominium rider is attached to the security instrument.
- (d) Procedures for Reviewing Evidence of Agency Guaranty or Insurance. The following table summarizes Ginnie Mae requirements relating to custodial review of FHA insurance and VA and RD guarantees.

Issuer and Document Custodian Requirements for Evidence of Agency Insurance/Guaranty		
Pool Issuance Date	FHA Requirements	VA & RHS Requirements
January 1, 2003 or later	Document custodians may certify loans without evidence of FHA insurance.	Document custodians may certify loans without evidence of guaranty.
Prior to January 1, 2003	Requires one of the following: <ul style="list-style-type: none"> • Issuer to provide paper MIC: or • Issuer may direct document custodian to review the duplicate MIC on FHA Connection: or • Issuer may provide a screen print of a duplicate MIC or other evidence of insurance from FHA Connection 	Document custodians may certify loans without evidence of guaranty.

- (i) Review of Mortgage Insurance Certificate (MIC): The following review procedures are required when reviewing the MIC (if required based on pooling date).
- (A) Verify that each item listed below is the same on both the MIC and the form [HUD-11706](#):
- (1) Mortgagor name(s);
FHA is the final authority on the acceptability of MICs in the case of minor misspellings in the mortgagor’s name, additional titles, such as “Jr.” or “Sr”, that differ slightly from the names on the note, missing street types, and zip codes. Ginnie Mae will accept minor MIC errors if the errors are acceptable to FHA
 - (2) Property address;
 - (3) Principal amount;
 - (4) If the principal amount shown on the MIC exceeds the amount shown on the form [HUD-11706](#), the MIC is acceptable.
 - (5) If the principal amount shown on the MIC equals or exceeds the remaining principal balance on the loan, the MIC is acceptable.
 - (6) If the principal amounts shown on the MIC and the form [HUD-11706](#) differ as described in (5) above, the monthly principal and interest payments shown on the two documents may also differ, which is also acceptable.
 - (7) Interest rate;
 - (8) Monthly principal and interest payment; and

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- (9) Term of loan (first and last payment due dates).
- (B) Verify that the FHA case number on the form [HUD-11706](#) agrees with the case number on the MIC.
- In situations where the FHA case number differs between the MIC and the form [HUD-11706](#), the case number on the MIC governs, and the form [HUD-11706](#) must be corrected. The FHA case number may be manually corrected on form [HUD-11706](#). The Issuer is responsible for the change; however, the Issuer may authorize the document custodian to make certain corrections on the Issuer's behalf. The Issuer and document custodian must agree on which corrections the document custodian will make.
- (C) Verify that FHA has signed the MIC and that the MIC includes the endorsement date. If the FHA case number needs to be corrected on the form [HUD-11706](#), the Issuer is responsible for that change. The FHA case number may be manually corrected on form [HUD-11706](#).
- (ii) FHA Connection. The following procedures are required when the document custodian is reviewing information in FHA Connection to ascertain the existence of mortgage insurance (if required based on pooling date):
- (A) Verify that each item listed below is the same on both the FHA Connection and the form [HUD-11706](#):
- (1) Mortgagor name(s);
 - (2) Property address;
 - (3) Mortgage amount;
 - (4) Interest rate; and
 - (5) Endorsement date.
- It is acceptable for the mortgage amount shown on FHA Connection to exceed the amount shown on form [HUD-11706](#).
- (B) Verify that the FHA case number on the form [HUD-11706](#) agrees with the case number on FHA Connection.
- In situations where the FHA case number differs between FHA Connection and the form [HUD-11706](#), the case number on FHA Connection governs and the form [HUD-11706](#) must be corrected. The FHA case number may be manually corrected on form [HUD-11706](#). The Issuer is responsible for the change, however, the Issuer may authorize the document custodian to make certain corrections on the Issuer's behalf. The Issuer and document custodian must agree on which corrections the document custodian will make.
- (iii) Indian Loan Guarantee Certificate (ILGC). The following review procedures are required for all PIH Section 184 loans:
- (A) Verify that each item on the Indian Loan Guarantee Certificate (ILGC) listed below agrees with the form [HUD-11706](#) as follows:

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- (1) Mortgagor name(s);
 - (2) Property address;
 - (3) Mortgage amount; and
 - (4) Interest rate.
- (B) Verify that the PIH Section 184 case number on the form [HUD-11706](#) agrees with the case number on the ILGC. In the event of a discrepancy between the PIH Section 184 case number on the ILGC and the form [HUD-11706](#), the case number on the ILGC governs, and the form [HUD-11706](#) must be corrected. The Issuer, however, may authorize the document custodian to make certain corrections on the Issuer's behalf.
- (C) Verify that the signature block on the ILGC reserved for the approving government official contains a signature.
- (e) Additional Procedures for Reviewing Modified Loans. The document custodian is required to perform the following review procedures on the additional documents required for modified loans in Ginnie Mae pools, to confirm the documents' completeness and consistency. Any defects discovered during the review process must be referred to the Issuer on a timely basis for correction or resolution.
- (i) Original Loan Modification Agreement. Verify that the loan modification agreement is the original, and includes evidence of recording or filing date stamp. Ginnie Mae will accept a copy of the recorded loan modification agreement only if the original has been lost and the copy clearly shows evidence of recordation.

Electronically Signed Loan Modification Agreements. Verify that the electronic image of the loan modification agreement bears evidence of recordation, including information relating to the date and time of recordation. If a modification agreement is signed electronically, printed, and submitted for recording in hard copy, with the hard copy retained by the county or state recorder's office, then verify that the electronic copy of the modification agreement bears evidence of recordation and reflects the certification of the county or state recorder's office that such copy is a true copy of the original recorded security instrument or modification agreement.

- (ii) Original Subordination Agreement (if present)
 - (A) Verify that the existing mortgage and the loan modification agreement are specifically described.
 - (B) Verify that the document has been executed, acknowledged and recorded. Ginnie Mae will accept a copy of the recorded subordination agreement only if the original has been lost and the copy clearly shows evidence of recordation.
- (iii) Title Insurance

Verify that the loan file contains either the Title Insurance described in [Subsection A, Title Policy or Title Endorsement](#), [Subsection B, ALTA form Mortgage Modification Policy](#), or [Subsection C, Mortgage Priority Guarantee](#) Policy, below.

 - (A) Title Policy or Title Policy Endorsement
 - (1) Verify that a title policy or title policy endorsement has been delivered and reflects recordation of the loan modification agreement.

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- (2) Verify each of the following items, appearing in the title policy or title policy endorsement to the loan modification agreement:
 - Date of title insurance policy endorsement, which must be the same as or later than the recording date on the loan modification agreement.
 - Amount of insurance coverage for the Mortgagee, which must be no less than the modified amount of the mortgage.
 - Mortgagor name(s). Minor misspellings of mortgagors name(s) are acceptable.
 - Property street address, including city and state.
 - Date of loan modification agreement.
 - Modified mortgage amount.
 - (3) Verify that the named insured under the title policy or policy endorsement is the name of the Mortgagee or that the title policy definition of “insured” includes each successor in ownership and any government agency or instrumentality that is an insurer or guarantor under an insurance or guaranty contract; or
- (B) ALTA form Mortgage Modification Policy
- (1) If, in lieu of a title policy, or title policy endorsement, an ALTA form Mortgage Modification Policy has been provided, verify it contains each of the following items:
 - Date of MMP, which must be the same as or later than the recording date on the loan modification agreement.
 - Amount of insurance coverage for the Mortgagee, which must be for the entire modified loan amount.
 - Date of loan modification agreement.
 - Modified mortgage amount.
 - (2) Verify that the named insured under the MMP is the name of the Mortgagee or that the title policy definition of “insured” includes each successor in ownership and any government agency or instrumentality that is an insurer or guarantor under an insurance or guaranty contract.
- (C) Mortgage Priority Guarantee Policy-Acceptable Only for Pools Issued on January 1, 2016 or Earlier
- (1) If, in lieu of a title policy, title policy endorsement, or ALTA form Mortgage Modification Policy, a Mortgage Priority Guarantee has been provided, verify it contains each of the following items:
 - Date of MPG, which must be the same as or later than the recording date on the loan modification agreement.
 - Amount of insurance coverage for the Mortgagee, which must include the entire modified loan amount.
 - Date of loan modification agreement
 - Modified mortgage amount
 - (2) Verify that the named insured under the MPG is the name of the Mortgagee or that the title policy definition of “insured” includes each successor in ownership and any government agency or instrumentality that is an insurer or guarantor under an insurance or guaranty contract.
- (iv) Other Requirements Applicable to Specific Circumstances

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- (A) If an updated clerk-certified Torrens certificate or an updated original attorney's opinion which references an abstract of title has been provided, procedures in [Part C, Section \(7\)\(c\), Procedures for Reviewing Mortgagee Title Insurance](#), of this Chapter should be modified appropriately. The attorney opinion or abstract of title must be dated on or after the date the mortgage was recorded.
 - (B) If a master title policy is used, a copy of the certificate of title must be placed in the loan file and the procedures in [Part C, Section \(7\)\(c\), Procedures for Reviewing Mortgagee Title Insurance](#), should be modified accordingly.
 - (C) For PIH Section 184 loans, if a Title Status Report (TSR), in the case of a leasehold mortgage on tribal trust land or a trust mortgage on allotted individual trust land is provided, an updated TSR to reflect the loan modification agreement must also be provided and the procedures in [Part C, Section \(7\)\(c\), Procedures for Reviewing Mortgagee Title Insurance](#), of this Chapter should be modified accordingly to accommodate the differences in information. For PIH Section 184 loans on fee simple land, verify the title policy, as described in this section.
 - (D) For FHA Advance Loan Modifications, the loan modification agreement is not required to be recorded unless it contains provisions for the assignment of leases or rents, in which case recording is required. Issuers may record modification agreements for other reasons to protect the first lien position of the modified loan. If the modification agreement is recorded, or conversely, if a title policy or endorsement is present, verify the loan documents meet the requirements of §(e) above.
- (f) Additional Procedures for Reviewing NY CEMA loans.
- In addition to the requirements listed above, for each loan file where a NY CEMA loan is involved, the document custodian is required to perform the following review procedures on the documents to confirm their completeness and consistency. Any defects discovered during the review process must be referred to the Issuer on a timely basis for correction or resolution.
- (i) Verify that all prior consolidated notes bearing original signatures from each previous modification as listed on Exhibit "A" are present. If a consolidated note is missing, verify that a lost instrument bond is present.
 - (ii) Verify that the NY CEMA includes evidence of recording or filing date stamp. Ginnie Mae will accept a copy of the NY CEMA only if the original has been lost and the copy clearly shows evidence of recordation. The NY CEMA must include the following exhibits:
 - (A) Exhibit "A". Verify that a listing of all previous notes and mortgages being consolidated, extended or modified is present.
 - (B) Exhibit "B". Verify that the property description is present.
 - (C) Exhibit "C". Verify that the copy of the executed consolidated note is present.
 - (D) Exhibit "D". Verify that a copy of the consolidated mortgage is present.

Section 8. Certain Exceptions for R&W Issuers

An R&W Issuer's document custodian may provide final certification of pools prior to receipt of the original recorded security instrument, title policies, original recorded intervening assignments, original recorded loan modification agreement, and original recorded NY CEMAs ("trailing documents"). The document custodian should have copies of the documents sent out for recordation, however, with a

certification from the Issuer that the documents have been sent for recording. All other requirements disclosed in [Part C, Final Certification](#) must be met.

R&W Issuers must still procure the recorded security instrument, title policy and intervening assignments, as well as the recorded loan modification agreement, and recorded NY CEMA (if applicable) but may do so in the normal course of business.

In addition, if a recertification is being performed as a result of the transfer of servicing rights to a non-R&W Issuer, then all of the requirements of [Part C, Section \(4\), Required Documents for all Single Family MBS Program Pools](#), [Part C, Section \(7\), Document Review Procedures for Final Certification](#), and when applicable, [Part C, Section \(5\), Additional Required Documents for Modified Loans](#), or [Part C, Section \(6\), Additional Required Documents for NY CEMA Loans](#) must be met within the standard 12 months from issuance date or transfer date, whichever is earlier.

R&W Issuers are strongly encouraged to perform a review of trailing documents for compliance with [Part C, Section \(4\), Required Documents for all Single Family MBS Program Pools](#), [Part C, Section \(7\), Document Review Procedures for Final Certification](#), and when applicable, [Part C, Section \(5\), Additional Required Documents for Modified Loans](#), or [Part C, Section \(6\), Additional Required Documents for NY CEMA Loans](#) prior to submitting the documents to the custodian for fiduciary tracking and storage.

Section 9. Procedures for Completing the Final Certification Process

The document custodian must date and sign the final certification on the reverse side of form [HUD-11706](#), and must identify the name, address, and Ginnie Mae identification number of the document custodian, and the name and title of the authorized employee who signed the certification. If the form [HUD-11706](#) includes more than one page, the document custodian need only sign the last page or the summary page.

The document custodian is required to submit the final certification on an original form [HUD-11706](#) directly to the PPA through GinnieNET or via hard copy. A copy of the final certification must be placed in the Pool Master File. The PPA will provide the Issuer with a confirmation of the receipt and acceptance of the final certification.

If the pool was initially certified using GinnieNET, and the pool has not been transferred prior to final certification (other than pursuant to an immediate transfer of issuer responsibility upon the issuance of the related securities), then final certification may be completed through GinnieNET, following the instructions in Chapter 11 of the MBS Guide and the GinnieNET Issuer Guide.

Loan files that have been temporarily released after final certification for a non-liquidation reason under reason code 6 (“Other”), and are returned to the document custodian must meet the final certification standards for the pool.

Loan files or documents released to an Issuer for a non-liquidation reason under reason code 6 must be returned to the document custodian within 90 days. When a loan file or document has been released to the Issuer for more than 90 days, it is considered to be overdue for return to the document custodian.

The document custodian must notify the Issuer of overdue documents or loan files when the 90 day period has lapsed. The notification must be in writing and documented in the inventory or file. If the loan file or document is overdue by 180 days, the document custodian must notify Ginnie Mae’s Office of Issuer and Portfolio Management (see Addresses), and the affected pools will be considered decertified until the loan file has been corrected. An Issuer may substitute a loan file loan file that has been released for a non-liquidation reason related to bankruptcy, foreclosure, or loss

mitigation with a written attestation in accordance with the Document Requirement Exception described in [Part C, Section \(1\)\(c\)\(i\)](#) of this Chapter.

PART D. RECERTIFICATION

Recertification procedures for a finally certified pool are required if there is a change of Issuer or document custodian responsibility. If the new document custodian prepares the final certification, recertification will not be required.

Loans that are deregistered from MERS must be recertified using the hard copy process.

The recertification is required to assure Ginnie Mae that the required intervening assignments have been recorded and filed with the document custodian. The recertification also confirms that the required loan documents have been received by the document custodian and meet Ginnie Mae's certification standards. Recertification must be performed within twelve (12) months of the pool transfer date.

It is important to note that while the Issuer may authorize the document custodian to make document corrections, Ginnie Mae ultimately holds the Issuer responsible for those changes and for the overall validity of the documents.

Section 1. Overview of Recertification Process in GinnieNET

- (a) If a pool or loan package that has received final certification is transferred either to another Issuer or to another document custodian, the Issuer must choose whether to have the pool or loan package recertified using GinnieNET or using hard copy. The pool or loan package must be recertified by the document custodian within 12 months after the earlier of:
 - (i) The Effective Reporting Date of a transfer of Issuer responsibility, and
 - (ii) Ginnie Mae's approval of a transfer to a new document custodian.

If a pool or loan package is transferred either to another Issuer or to another document custodian before it receives final certification, the final certification will satisfy the recertification requirement. The final certification must be completed no later than the original final certification due date, must meet all final certification documentation requirements, including recorded intervening assignments to the new Issuer, and must be submitted in accordance with the requirements of the MBS Guide.

- (b) The document custodian must conduct the recertification, depending on the pool or loan package type involved, in accordance with the applicable requirements of the Document Custodian Manual ([Appendix V-1](#)). If the documents are in order, the document custodian executes the recertification and transmits the recertification over the GinnieNET system.
- (c) Upon completing the recertification, the document custodian must place a copy of the Schedule of Pooled Mortgages or the Schedule of Pooled Participations and Mortgages with the recertification completed in the pool or loan package master file. The Issuer also must maintain in its files a copy of the Schedule of Pooled Mortgages or the Schedule of Pooled Participations and Mortgages bearing the completed recertification.
- (d) The Issuer will receive confirmation that the recertification has been completed.

Section 2. Overview of Recertification Process for Pools Submitted in Hard Copy

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- (a) If a pool or loan package that has received final certification is transferred either to another Issuer or to a new document custodian, it must be recertified by the document custodian within 12 months after the earlier of:
- (i) the effective date of a transfer of Issuer responsibility (the first day of the month following the date Ginnie Mae executes the assignment agreement for transfer), or
 - (ii) Ginnie Mae's approval of a transfer to a new document custodian.

If a pool or loan package is transferred either to another Issuer or to another document custodian before it receives final certification, the final certification will satisfy the recertification requirement, but must be completed no later than the original final certification due date, must meet all final certification documentation requirements, including recorded intervening assignments to the new Issuer, and must be submitted in accordance with the requirements of the MBS Guide.

- (b) The document custodian must conduct the recertification, depending on the pool or loan package type involved, in accordance with the applicable requirements of the Document Custodian Manual ([Appendix V-1](#)). If the documents are in order, the document custodian makes its recertification on the back of the Schedule of Pooled Mortgages.
- (c) The document custodian's recertification must be made by the original signature of an authorized employee of the document custodian. If the Schedule of Pooled Mortgages consists of more than one page, the original signature need only be affixed to the last page.
- (d) After signing the recertification, the document custodian, based on the Issuer's instructions, either sends the original recertification to the PPA or sends it to the Issuer so that the Issuer can forward it to the PPA.
- (e) The document custodian must deliver a copy of the recertification to the Issuer and place a copy in the pool or loan package master file.

Section 3. Document Review Procedures for Recertification

The following reflects Ginnie Mae's minimum recertification requirements for all pools:

- (a) Required Reconciliation. Reconcile all loans listed on the original form [HUD-11706](#) to the active loans listed in the Issuer's current loan trial balance and the forms [HUD-11708](#) for any loan files that have been removed. Mortgages that have been liquidated must be noted or deleted by manually lining out the terminated loans, referring to the original schedule by attachment of the form [HUD-11706](#); or by attaching a list of the loans remaining in the pool, per the Issuer's current trial balance, to the recertification form [HUD-11706](#).

If the document custodian maintains an automated system and normally transmits certifications through GinnieNET, then it is not necessary to manually line out loan files that have been removed from the pool on the form [HUD-11706](#), provided that the document custodian can provide a status report of all loans in the pool. The information provided for each loan must be the same as the information required on the front of the form [HUD-11706](#). Because of assumptions, the mortgagor's name provided on the form [HUD-11706](#) may not agree with the loan documents.

- (b) Required Documents. Verify that the pool and loan documents specified below are present and review that they comply with the requirements herein.
- (c) Procedures for Reviewing the Promissory Note
 - (i) Verify that the promissory note, and allonge if applicable, is an original document with an original signature, or a lost note bond.

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- (ii) In the absence of the promissory note, for purposes of recertification, all documents required for final certification plus a lost instrument bond are required.
 - (iii) Verify that the promissory note is endorsed up to the pooling Issuer, and then to blank and without recourse.
- (d) Procedures of Reviewing the Security Instrument. Verify that the security instrument is a recorded original or copy that clearly shows evidence of recordation.
- (e) Procedures for Reviewing the Intervening Assignments
- (i) Verify that all originally recorded intervening assignments are present, unless the relevant jurisdiction does not require recording. A copy of an intervening assignment is acceptable only if the original has been lost and the copy clearly shows evidence of recordation.
 - (ii) Verify that all intervening assignments follow a complete chain of title from the original Mortgagee to the current Issuer or to MERS.
 - (iii) The note endorsement may be from originator to company “C,” and the intervening assignments may be from originator to company “B”, then to company “C”. Both documents must have a complete chain of title, even if the two chains are not identical.
- (f) Procedures for Reviewing the Mortgagee Title Insurance – (Not Applicable to HUD-Disposition, Hawaiian Homelands, PIH Section 184 or VA Vendee Loans):
- (i) Verify the existence of an original title policy, including riders, as indicated, or a duplicate signed original (or countersigned) by the title company. A copy of the title insurance policy is acceptable.
 - (ii) Verify the existence of a clerk-certified Torrens certificate or an original attorney’s opinion which references an abstract of title, as applicable.
 - (iii) If a master title policy is used, verify the existence of a copy of the certificate of title in the loan file.
 - (iv) For PIH Section 184 loans, in the case of a leasehold mortgage on tribal trust land or allotted individual trust land, verify the existence of a Title Status Report (TSR). For PIH Section 184 loans on fee simple land, verify the existence of an original title policy, including riders, as indicated, or a duplicate signed original (or countersigned) by the title company. A copy of the title insurance policy is acceptable.
- (g) Procedures for Reviewing FHA Mortgage Insurance. When reviewing the MIC (based on pooling date), verify that FHA has signed the MIC and it includes the endorsement date. When viewing FHA Connection, verify that the endorsement date field is complete (based on pooling date).
- (h) Procedures for Reviewing Indian Loan Guaranty Certificate (ILGC). When reviewing the ILGC, verify that the PIH Section 184 case number on the form [HUD-11706](#) agrees with the case number on the ILGC.
- (i) Forms [HUD-11708](#). Verify that any forms [HUD-11708](#) with non-liquidation release codes are not included in active loan files and the Pool Master File in the place of a promissory note. A form [HUD-11708](#) with a non-liquidation release reason code may not substitute for a loan document or a promissory note at the time the document custodian reviews the loan file for recertification. All documents required for initial certification and final certification must be present in the file at the time of recertification, except as specified below.
- (i) Document Requirement Exception: An Issuer may substitute a loan file loan file that has been released for a non-liquidation reason related to bankruptcy, foreclosure, or loss
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mitigation with a written attestation in accordance with the Document Requirement Exception described in [Part C, Section \(1\)\(c\)\(i\)](#) of this Chapter.

- (j) Procedures for Reviewing the Forms [HUD-11711B](#). The form [HUD-11711B](#), Certification and Agreement is not required for recertification if the pool was transferred to a new Issuer and is more than three years old. If the pool is less than three years old and has been transferred, the new Issuer is required to obtain forms [HUD-11711B](#) and [11711A](#) (if required) from the original Issuer. If the form(s) cannot be obtained, the new Issuer must obtain a waiver letter from Ginnie Mae's Office of Issuer and Portfolio Management.

(k) Additional Procedures for the Recertification of Modified Loans

- (i) Loan Modification Agreement: Verify that the loan modification agreement is a recorded original or copy that clearly shows evidence of recordation.

For electronically signed loan modification agreements, verify that the electronic image of the loan modification agreement bears evidence of recordation, including information relating to the date and time of recordation. If a modification agreement is signed electronically, printed, and submitted for recording in hard copy, with the hard copy retained by the county or state recorder's office, then verify that the electronic copy of the modification agreement bears evidence of recordation and reflects the certification of the county or state recorder's office that such copy is a true copy of the original recorded security instrument or modification agreement.

- (ii) Subordination Agreement (if present): Verify that the subordination agreement is a recorded original. Ginnie Mae will accept a copy of the recorded subordination agreement only if the original has been lost and the copy clearly shows evidence of recordation.
- (iii) Mortgagee Title Policy Endorsement: Verify the existence of a title policy endorsement or title policy, and evidence that the modification and any subordination agreements have been recorded, and that the full amount of the modified loan is insured in first lien position.

An ALTA Form Mortgage Modification Policy is acceptable in lieu of endorsements to existing title policies provided that the MMP covers the entire modified loan amount, subordination agreements, if any, are recorded, and the modified loan retains first lien position.

For pools issued on January 1, 2016 or earlier, a Mortgage Priority Guarantee Policy is acceptable in lieu of an ALTA Form Mortgage Modification Policies (MMP), or endorsements to existing title policies, provided that the MPG covers the entire modified loan amount, subordination agreements, if any, are recorded, and the modified loan retains first lien position.

- (iv) For FHA Advance Loan Modifications, the loan modification agreement is not required to be recorded unless it contains provisions for the assignment of leases or rents, in which case recording is required. Issuers may record modification agreements for other reasons to protect the first lien position of the modified loan. If the modification agreement is recorded, or conversely, if a title policy or endorsement is present, verify the loan documents meet the requirements of §(k) above.

- (l) Additional Procedures for the Recertification of NY CEMA Loans. The following procedures must be performed for the recertification of NY CEMA loans:

- (i) Consolidated Note

- (A) Verify that the consolidated note is an original document with an original signature(s), or that a lost instrument bond with limited liability that meets the requirements in [Appendix I](#) of this manual has been provided.
 - Verify that the consolidated note is endorsed up to the pooling Issuer without recourse. The endorsement by the pooling Issuer should be in blank, undated, and without recourse.
- (ii) Verify that all prior consolidated notes bearing original signatures from each previous modification as listed on Exhibit “A” are present. If a consolidated note is missing, verify that a lost instrument bond is present.
- (iii) (Consolidation, Extension, and Modification Agreement (NY CEMA)
 - (A) Verify that the NY CEMA is an original that clearly shows evidence of recordation, and which contains the following exhibits
 - (1) Exhibit “A”. Verify that a listing of all notes and mortgages being consolidated, extended or modified is present.
 - (2) Exhibit “B”. Verify that the property description is present.
 - (3) Exhibit “C”. Verify that the copy of the executed consolidated note is present.
 - (4) Exhibit “D”. Verify that a copy of the consolidated mortgage is present.

(m) Loans Deregistered from MERS

- (i) Verify that the security instrument is a recorded original or copy that clearly shows evidence of recordation.
- (ii) Verify that all intervening assignments follow complete chain of title from the original Mortgagee to the current Issuer.

Section 4. Procedures for Completing the Recertification

The document custodian is required to forward the newly recertified form [HUD-11706](#) directly to the PPA via hard copy or through *GinnieNET*. The Issuer and document custodian must maintain a copy of the certification submitted to the PPA.

Loan files that have been released for a non-liquidation reason under reason code 6 and are returned to the custodian after recertification of the pool must meet the final certification standards for the pool. Loan files or documents released to an Issuer for a non-liquidation reason under reason code 6 must be returned to the document custodian within 90 days.

When a loan file or document has been released for more than 90 days, it is overdue for return to the document custodian. The document custodian must notify the Issuer of overdue documents or loan files after 90 days. The notification must be in writing and be documented in the inventory or file. If the loan file or document is overdue by 180 days, the document custodian must notify Ginnie Mae’s Office of Issuer and Portfolio Management (see [Summary of Addresses](#) in the Guide), and the affected pools will be considered decertified until the loan file has been corrected.

PART E. UPDATE OF LEGAL OPINION

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All blanket legal opinions from qualified outside legal counsel must be verified or updated the earlier of every twelve (12) months or at the time of change in applicable laws. Such updated opinions will only apply to transactions that occur after the changes in law. The Issuer is responsible for updating legal opinions and providing them to the document custodian.