



GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

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

May 18, 2010

APM 10-04

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: Theodore W. Tozer, President

SUBJECT: Clarification of Pooling Eligibility for FHA 203(k) Loans

In response to requests for guidance on certain pooling eligibility requirements for the Federal Housing Administration's ("FHA") Section 203(k) loan program, Ginnie Mae is pleased to provide clarification to the Issuer community. In Chapter 24, Section 2(A)(1)(g) of Ginnie Mae's Mortgage-Backed Securities Guide, 5500.3 Rev.1 ("Guide"), the Section 203(k) loan rehabilitation program allows eligible borrowers to be either an individual owner-occupant or a nonprofit agency, as specified in FHA Mortgagee Letter 96-52.

To remove any uncertainty, Ginnie Mae has incorporated language into the Guide that clearly states that an eligible borrower may be a state or local government agency under the nonprofit classification. Any Issuer that pools eligible Section 203(k) loans must maintain a copy of FHA's Affordable Housing Program approval letter in its document custodian's loan file.

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