



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

November 1, 2010

APM 10-18

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: Theodore W. Tozer, President

SUBJECT: New Ginnie Mae Title I Manufactured Home Loan Program to Launch October 1, 2010

As previously published in APM 10-07, *New Ginnie Mae Title I Manufactured Home (MH) Loan MBS Program*, dated June 10, 2010, Ginnie Mae is pleased to announce its support for FHA’s new Title I Manufactured Home Loan Program. Effective with issuances on or after October 1, 2010, Issuers may pool manufactured home loans electronically through GinnieNET. Corresponding FHA Guidance can be found in [Title I Mortgagee Letters TI-481 and TI-484](#).

Eligible collateral for the Ginnie Mae II custom pool type, “C MH” shall only include FHA Title I home loans whose loan application dates occur on or after June 1, 2009. Manufactured home loans whose loan application dates occur prior to June 1, 2009, will be ineligible for pooling within the “C MH” pool type, and will not be eligible for pooling within any Ginnie Mae security beyond a September 2010 issuance.

As a reminder, Ginnie Mae would like to once again highlight several important program guidelines for the new “C MH” pool type:

Issuer Eligibility	All institutions that want to participate in the new Ginnie Mae II Manufactured Home Loan MBS Program must submit an application for consideration as an MH Issuer. Issuers that are currently approved to issue MH securities must re-apply and meet new program eligibility requirements.
Unique ID	Newly-approved Issuers will be assigned a 4-digit Ginnie Mae ID that will only be eligible for MH pooling.
Adjusted Net Worth	All approved Issuers must meet and maintain a minimum adjusted net worth valuation (as calculated in accordance with the HUD Audit Guide), of \$10mm plus 10 percent of each of the following: a) 10 percent of the dollar amount of all MH MBS outstanding, b) 10 percent of the outstanding balance of the Issuer’s Commitment line balance, and c) 10 percent of the outstanding balance of all pools funded by the Issuer.
MH Collateral	Issuers must provide, at pooling, the MH loan application date. Missing or incorrect loan application dates will return a fatal edit through GinnieNET. Issuers must correct the loan application date and resubmit the pool.

MH Pool Type	Effective with MH issuance on or after October 1, 2010, the only eligible pool type is the “C MH” pool type.
Eligible MH Security Spread	For all manufactured home loans pooled as collateral for the “C MH” pool type, the securities rate must be at least 3.25 percent lower than the lowest face rate on the loans, but not more than 4.75 percent lower than the highest face rate of the security.
Guarantee fee	The guarantee fee for MH MBS remains at 30 bps, and each pool must contain at least eight loans. The minimum pool balance, at origination, will increase to \$1 million.
MH Loan Servicing	MH loans must be serviced by the Issuer of Record; MH subservicing is strictly prohibited.
Immediate Pool Transfers at Issuance (“PIIT”)	Ginnie Mae II “C MH” pools are ineligible for PIIT pooling.
Accounting Methods	Issuers must use the “Concurrent Date” (“CD”) accounting method for all “C MH” pools; Internal Reserve (“IR”) accounting is ineligible.

Applicable changes to the Ginnie Mae Mortgage-Backed Securities Guide 5500.3, Rev.1, (“Guide”) are currently posted under the “What’s New” section of the Ginnie Mae website, and was incorporated into the Guide on October 1, 2010.

If you have any questions regarding this memorandum, please contact your Ginnie Mae Account Executive in the Office of Mortgage-Backed Securities at (202) 708-1535.

Attachments