



GinnieMae

Our Guaranty Matters

2015

SEPTEMBER 21-22 | ARLINGTON, VIRGINIA



GAMECHANGERS
2015 GINNIE MAE SUMMIT

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Getting Started and Being a Successful Ginnie Mae Issuer

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Steps Required of New Issuers to Purchase a Commitment and Issue an MBS

These steps are referred to by Ginnie Mae as “Onboarding”

The steps are placed in four categories:

- Travel
- Training
- Testing
- Reporting



Travel

- Issuers must send one representative to New York to meet with Ginnie Mae's Pool Processing Agent (BNY Mellon Bank)
- The purpose of the trip is to get access to two critical pieces of software titled Ginnie*NET* and the Ginnie Mae Enterprise Portal (GMEP or the Portal)



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Training

- Ginnie*NET* is a web-based application that permits an Issuer to create a MBS with one or more government insured or guaranteed loans.
- GMEP is a web-based application that permits an issuer to access many web-based applications created by Ginnie Mae to conduct business with Issuers.
- The Reporting feedback System (RFS) is an application within GMEP that permits Issuers to submit monthly pool and loan-level reports.



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Travel

Issuers must take the items below to BNY Mellon Bank:

- Letter on the Issuer's letterhead stating that the person attending the enrollment process will perform the duties of the Enrollment Administrator.
- Government ID (Driver's License, Passport)
- Copy of form HUD 11702, if a current form is not on file with BNY Mellon Bank



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Reporting

- After receiving access to GMEP (“The Portal”), Issuers must insert several government forms that we refer to as Master Agreements

(See section 10-3A of the MBS Guide for a discussion about these agreements.)



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Reporting

Master Agreements include forms HUD 11702, 11707, 11709A, 11709, 11715, 1172

Form HUD 11702 is a resolution of the Board of Directors and a certificate of authorized signatures

Form HUD 11709 is a master agreement for the Issuer's principal and interest custodial account



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Reporting

Form HUD 11707 is a Master Servicing Agreement. With this form, the Issuer tells Ginnie Mae if they will service the pools alone or if they will hire a sub-contract servicer to assist them. If they hire a sub-contract servicer, the company must be an approved Issuer. The sub-contract servicer must also sign this form in GMEP (the Portal). Rules which govern this relationship are in chapter 4 of the MBS Guide.



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Reporting

Form HUD 11709A is a debit authorization form. The Issuer gives Ginnie Mae's CPTA (Central Processing and transfer Agent, BNY Mellon Bank) permission to debit the Issuer's central P&I custodial account, when it places this form in GMEP (the Portal).

Form HUD 11715 is the Master Custodial Agreement. The Issuer executes this form with their document custodian.



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Reporting

Form HUD 11720 is the Master Agreement for the Issuer's escrow custodial account.

Chapter 13 of the MBS Guide is dedicated to requirements of the document custodian (Form HUD 11715).

Chapter 16 of the MBS Guide is dedicated to requirements of the funds custodian (Forms HUD 11709, 11709A, 11720).



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Testing

- Issuers must conduct a test of their servicing software with RFS to confirm that monthly accounting reports will be accepted without any problems. If an Issuer has hired a sub-contract servicer, the sub-contract servicer will complete the test.
- The company that conducts the test for Ginnie Mae is Virtual Development.



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Testing

Before the first monthly ACH debit of the Issuer's central principal and interest (P&I) account occurs, the Issuer must arrange for the Central Processing and Transfer Agent (CPTA, BNY Mellon Bank) to complete a test debit of the Issuer's central P&I account (See section 16-4 of the MBS Guide for details about this process.).



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Annual Reporting

- All approved Issuers must present their audited financial statements via GMEP no later than 90 days after the end of the Issuer's fiscal year (See section 3.7A of the MBS Guide for more details about this requirement.).



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Quarterly Reporting

- Issuers that are not regulated by the FDIC, NCUA, or the OCC must provide Ginnie Mae with an unaudited quarterly financial statement (Details are presented in section 3-7B of the MBS Guide.).
- The unaudited report is presented on a form HUD 11750 titled the Mortgage Bankers Financial Reporting Form (MBFRF).



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Training

- New Issuers are strongly advised to have employees that conduct business with Ginnie Mae take online courses with Ginnie Mae University. Each course can be completed in about 50 minutes.
- The university is located on the Ginnie Mae website: *GinnieMae.gov*



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Reporting

All new Issuers are required to send their Account Executive employee contact and corporate profile information.

This information is explained in a template of an Excel spreadsheet.



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Onboarding Questions

- Contact

Richard Washington 202-475-4928

or John Kozak 202-475-4927



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Document Custody

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The Issuer's Role in Document Custody

10:30AM

Tomorrow



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Ginnie Mae is Different

- We are not a GSE
- We do not issue securities
- We do not set underwriting standards
 - FHA
 - VA
 - RD
 - PIH



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Ginnie Mae is Different

- Different Risks
 - No ability to buy out individual loans
 - Delinquency
- We do not issue securities
- Issuer default
 - Ginnie Mae becomes the Issuer
 - Entire portfolio



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Issuer Requirements

- The Guide
 - Chapter 11
 - Pool & Loan Package Certification Process
 - Chapter 13
 - Document Custodian Eligibility & Responsibilities
- Document Custody Manual
 - Chapters 3, 4,5 & 10
 - Document requirements
 - Document review requirements
- AllRegs



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Issuer Requirements

- Minimize risk of certification problems
 - Focus
 - Closing documents
 - Post closing reviews
- Custodian Relationship
- Manage Releases
 - Review 90 & 180 release reports
 - Update release requests as loan status change



Who's Responsible?

You are



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