

Modernization & Issuer Outreach Call

May 18, 2023

Modernization & Issuer Outreach Call — Agenda

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RSA SecurID Soft Token Automated Provisioning

RSA SecurID Soft Token Automated Provisioning – Overview

RSA Soft Token Automated Provisioning is targeted for a **late Summer 2023 release** and will leverage existing technology to automate the process to **provision, manage, and track RSA Soft Tokens** for Ginnie Mae users, all of which is currently done manually. Integrating RSA provisioning into these workflows provides the capability to automate additional user access controls e.g., access updates and deprovisioning – all of which support the implementation of security controls in place to protect Ginnie Mae’s environment.

Benefits & Functionalities



New User Registration Form Modification: Existing Token Holder registration is no longer applicable and will be captured automatically.



Self-Service Token File Generation: Allows for RSA Soft Token holders to generate their token files in real time when they change devices.



Help Desk Integration: Adds integration with Ginnie Mae Help Desk automatically when Soft Tokens are distributed.



Cleanup of Existing RSA Profiles: Reviews existing token profiles and determines if any should be disabled or modified (domain and alias changes)



Reconciliation of Existing Token Holders: Connects existing user profiles to MyGinnieMae accounts to enable management of tokens through MyGinnieMae.



Provisioning a New Soft Token: Allows for RSA Soft Tokens to be automatically provisioned once a functional role has been requested and will trigger a welcome email as well as instruction for installation and use of the soft token.



Token Holder Profile Status: Communicates between MyGinnieMae and the RSA Authentication Manager to verify, match, and store the user’s status and token information in their RSA Profile.

RFS Expanded Data Collection

RFS Data Collection – Project Scope and Benefits

Release of Initial APM

Initial APM will be released to detail the **11 additional** and **1 update** of existing data elements to provide **additional accuracy and insight into the loan collateral in Ginnie Mae MBS**. The purpose of the APM is to provide information necessary for Issuers and other industry participants to **coordinate with Ginnie Mae and plan accordingly**. These changes will apply to all Single Family, Multifamily and Manufactured Housing MBS.

Purpose

1

Greater accuracy of RFS pool/loan accounting

2

Additional data elements for disclosure to investors

3

Greater visibility and monitoring of MBS loan collateral

4

Calculate MBS investor payments from loan level

Impact

Supplement existing reporting with elements mostly already captured at the servicing system level:

- To match industry standards by working with issuers, service providers, and other industry stakeholders
- Adding 11 new loan level data elements and revising “Loan Level Reason Code” including an additional selection

RFS Data Collection – Project Timeline

1st APM Release (Q3 2023)

Purpose: Outline 11 additional and 1 revised data elements for industry awareness

Test File Review (Q1 2024)

To be coordinated with Servicers and Issuers with in-house reporting solutions

2nd APM Release (Q1 2024)

Purpose: Outline MBS Guide changes and date for full reporting compliance

Enhanced Reporting Mandate (Q2 2024)

RFS Testing expected to be completed by Issuers and Servicing Providers the start of FY Q3 2024.

RFS Data Collection – Data Elements

The enhanced data elements are split into two types: Expansion of Existing Elements and Additional Data Elements. The next slide details the Removal Reason Codes.

Expansion of Existing Elements	Definition
Removal Reason Codes (Expansion of Existing Values)	In addition to existing 6 reason codes, the additional reason code 7 is being added “Special Assistance.” Reason codes 2, 3, and 6 have been updated as well. Definitions provided on the next slide.
Additional Data Elements	Definition
Scheduled UPB Amount	The dollar amount of the current Unpaid Principal Balance of the loan amortized through the month following the current reporting period.
Scheduled Monthly Principal Amount	The calculated scheduled (per the amortization schedule) monthly principal amount for the mortgage as of the end of the reporting period.
Scheduled Monthly Interest Amount	The calculated scheduled (per the amortization schedule) monthly interest amount for the mortgage as of the end of the reporting period.
Gross Service Fee Amount Collected	The dollar amount of servicing fee collected on the mortgage, for the report period. A dollar amount field, must be greater than zero.
Actual Payment Date	The actual date the last scheduled payment was received (the posting date for last scheduled installment).
Curtailment Principal Code(s)	A code indicating the type of curtailment reported, 1 = borrower funds curtailment 2 = claim funds curtailment 3 = other funds curtailment.
ARM Prospective Interest Rate	The new “to be” interest rate of the ARM loan.
ARM Prospective Monthly P&I	The new “to be” month P&I payment amount of the ARM loan.
ARM Adjustment Effective Date	The effective date of the ARM adjustment; the scheduled installment due date of the new “to be” P&I on the loan.
Servicer/Subservicer ID**	The organization servicing the mortgage. The Issuer ID of the servicer/subservicer servicing the loan. Report this field whenever there is a change in Servicer/Subservicer for the loan. Otherwise report blank.
Document Custodian ID**	The Ginnie Mae Document Custodian ID for the document custodian of the mortgage.

** Denotes being added to the Various Record, as opposed to the Loan Record.

RFS Data Collection – Reason Codes

Reason Code	Definition
Mortgagor Payoff (1)	Removal Reason Code 1 applies when the Issuer has received and deposited funds on behalf of the mortgagor to pay the loan in full.
Buyout of Delinquent Loan (2) <i>Revised from “Repurchase of Delinquent Loan”</i>	Removal Reason Code 2 applies when the Issuer has used its funds to buy out a loan from the pool as result of delinquency as prescribed in Chapter 18 Part 3-B of the MBS Guide.
Foreclosure with or without Claim Payment (3) <i>Revised from “Foreclosure with Claim Payment”</i>	Removal Reason Code 3 applies when the Issuer has received and deposited insurance/guaranty funds from FHA, VA, RHS, or PIH, or, if upon completion of the foreclosure process, the issuer advances its funds, prior to any claim proceeds being received or, if the proceeds from the foreclosure sale are sufficient to pay off the loan.
Loss Mitigation (4)	Removal Reason Code 4 applies when the Issuer executes a buyout of a loan from a pool, in accordance with Chapter 18 Part 3-B of the MBS Guide, with the express intention of performing loss mitigation procedures specified by FHA, VA, RHS, or PIH.
Substitution (5)	Requires Ginnie Mae approval. Removal Reason Code 5 applies when the Issuer removes a defective loan from a pool and substitutes an eligible loan in its place in accordance with Chapter 14 Part 8-D of the MBS Guide.
Other Removal (6) <i>Revised from “Other”</i>	<p>Removal Reason Code 6 applies when a loan is liquidated from a pool for any reason that does not meet the requirements of any other Reason Codes.</p> <ul style="list-style-type: none"> - Requires Ginnie Mae approval: Removal of an uninsured/uninsurable loan, i.e., not insured/guaranteed by FHA, VA, PIH or RHS, or removal of a loan that does not meet the pooling requirements and cannot be remedied, or removal of a loan for any other reason not otherwise specified, but only if approved by Ginnie Mae. - Does not require Ginnie Mae approval: The taking of the mortgaged property by eminent domain; condemnation proceedings; the receipt of hazard claim or flood insurance claim proceeds.
Special Assistance (7)	Removal Reason Code 7 applies to Special Assistance Programs announced by Ginnie Mae pursuant to Chapter 34 of the MBS Guide. Removal Reason Code 7 is not applicable to any Multifamily loan types.

Digital Collateral Enhancements

Digital Collateral Program - Background

Ginnie Mae's Digital Collateral Program launched in **July 2020**, starting with developing and implementing the **policy, technology, and operational capabilities necessary to accept electronic promissory notes (eNote)** and other digitized loan files as collateral for Ginnie Mae securities (Digital Collateral) in APM 20-10: Digital Collateral Program Launch

- **Electronic mortgage (eMortgage):** A mortgage loan for which the promissory note is an Eligible eNote that was **signed electronically** on an eClosing platform and **registered with the MERS® eRegistry** upon execution.
- **eNote:** A promissory note that is **created, accessed, executed, transferred, and stored through electronic means**, and meets the definition of a Transferrable Record under the federal ESIGN Act and the UETA.

★ WHAT'S NEW?

As of March 31, 2023, eNotes can be tracked via SFPDM (using PDD 3.0 released February 2023) for Issuers approved for the Ginnie Mae's Digital Collateral Program (elssuers) by selecting "Yes" for the eNote Indicator field. During PTS transfers of eNotes, the system ensures that the buying issuer is an elssuer.

Digital Collateral Program - Objective and Next Steps



All issuers to start pooling in SFPDM and tracking eNotes as a step along the way to comingling paper notes and eNotes in the same pool.



Ginnie Mae is **building in the functionality that will allow the Digital Collateral program to grow** through enhanced securitization and transfer opportunities such as PIIT.



Upcoming SFPDM enhancement release will **introduce further enhancements** such as eCustodian tracking and validating that issuers select the eNote Indicator field for each loan.

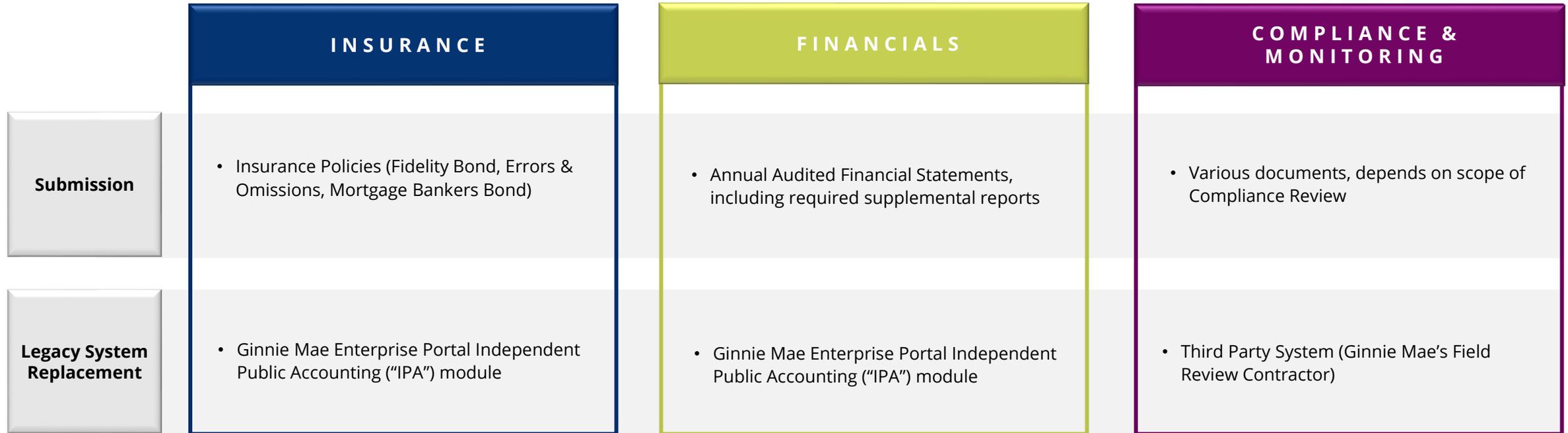


All Issuers are encouraged to apply to the Ginnie Mae Digital Collateral Program. For questions, contact askGinnieMae@hud.gov.

Ginnie Mae Central

Introducing Ginnie Mae Central (GMC)

Ginnie Mae plans to modernize the Insurance, Financials, and Compliance & Monitoring core business processes by leveraging new technology to create a portal, Ginnie Mae Central (GMC), for Issuers and Document Custodians to efficiently interact with Ginnie Mae.



NOTE: Adoption, training, and other important details will be published via All Participants Memorandum in Summer 2023

SFPDM Adoption

SFPDM Adoption Update

Single Family Pool Delivery Module (SFPDM) was released on April 25, 2022.



Adoption Update

81

Issuers actively using SFPDM

6

Issuers in SFPDM

\$14.85 B

Total OPB Issued/Transferred

4152

Pools Issued/Transferred

What We Have Heard from Users...



Enhanced User Experience

Enjoyed using the application in comparison to GinnieNET as it is not menu-based (“better than GinnieNET”)



Greater Transparency into Pool Submission

Valuable to see where pools are in the process with the skittles, and like the overall visibility into pools in SFPDM (“easier to follow with the skittles”)



Leveraging Expert Support Channels to Facilitate SFPDM Adoption

The Adoption Team promptly replies with actionable guidance to questions received via the MISMO Helpdesk and Mailbox (“appreciate the support and quick turnaround time for questions”)

SFPDM Adoption – Upcoming APM

Ginnie Mae is preparing to release a 2nd SFPDM Adoption APM in May 2023.

KEY POLICY COMMUNICATIONS

All Participant Memoranda (APMs) can be found on the [APMs](#) page of GinnieMae.gov



ORIGINAL: APM 22-02: SFPDM Adoption for Single Family and Manufactured Housing Issuers

Publication Date: January 31, 2022



SUPERSEDING APM: SFPDM Adoption APM: GinnieNET Cutover of Single Family Pooling Functions

Publication Date: May 31, 2023 (Target)

NEW REQUIREMENTS



Required SFPDM/PDD Implementation

Issuers must be pooling in SFPDM or testing their own Pool Delivery Dataset (PDD) in the Validation and Testing Tool (VTT) by **July 31, 2023**. *Issuers planning to submit pool and loan data manually must be pooling by this date.*

GinnieNET Cutover of Pooling Functions

Following **December 1, 2023**, SFPDM will be the **only** application available for Single Family and Manufactured Housing pooling.



For more information contact askGinnieMae@hud.gov

Q&A

If Dialed-In from Computer:

- Please click “Raise Hand” at the bottom of your window to indicate you have a question.
- Make sure to unmute yourself once the host allows it.

If Dialed-In from Phone:

- Please press *9 to raise your hand to indicate you have a question.
- The host will read the last 4 digits of your phone number.
- Then, press *6 to unmute before speaking.

If Typing In Question:

- Please click into the “Q & A” section of the webinar and type in your question.