

Multifamily Issuer Training

Pooling Processes and Systems:
Session III

Presented by
Bank of New York Mellon

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Agenda

1. Introduction
2. Multifamily Changes and Conversions
3. Document Custodian Transfer Request
4. Resources and Questions

Introduction

Presenters

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Multifamily Changes and Conversions

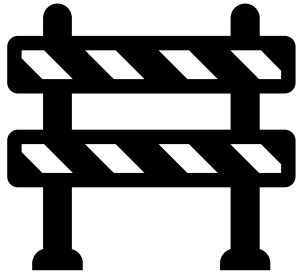
Overview

Multifamily Conversion Types

Mortgage Modifications

Mortgage Increase/Decrease

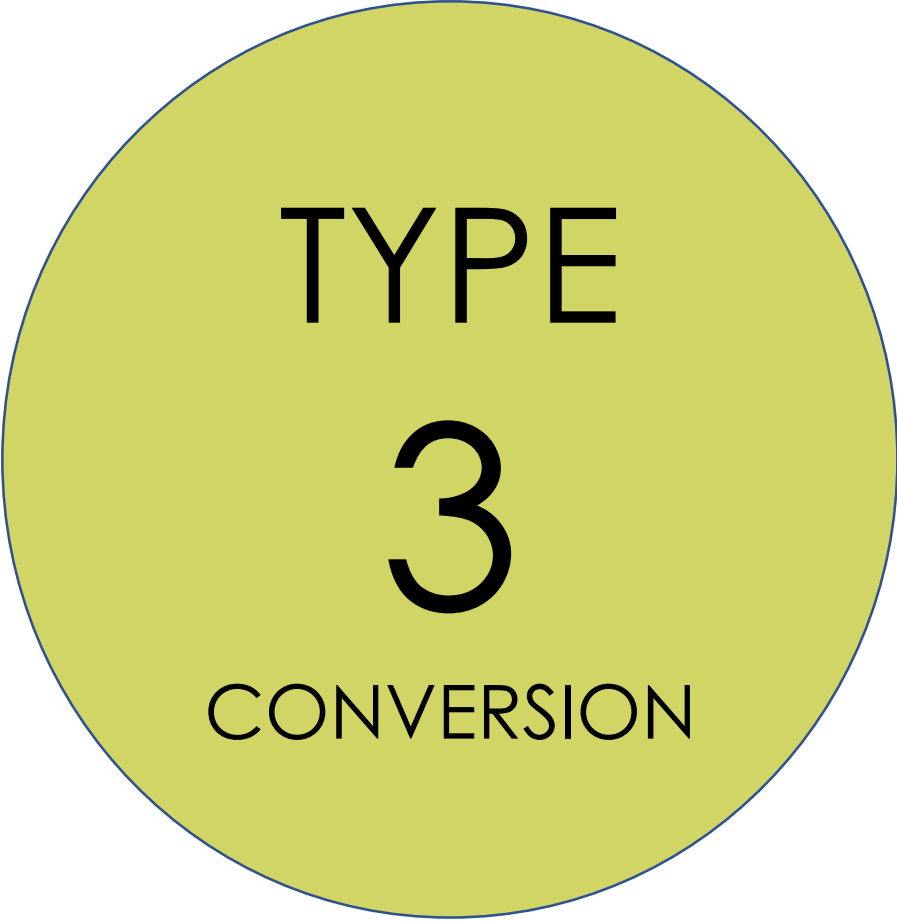
Overview



- A **Construction Loan Pool** will convert to the Permanent Loan (Project Loan) Pool upon completion of the construction period and when the final construction loan draw is to be issued/delivered.
- Two ways to submit a Multifamily Conversion:
 - **Conventional** Method
 - **Modernized** Method

NOTE: All Construction Loan Pools must convert to a Project Loan Pool (PN).

Multifamily Changes and Conversions



TYPE 3 CONVERSION

What is a Type 3 Conversion?

A Type 3 Conversion is the submission of the PN pool with the manual return of the CLCs position(s), with issuance of the Permanent Loan Security (Position) through the Federal Reserve Bank of New York (FRBNY).

Whoever holds/owns all the CLCs must return the positions to the FRBNY for cancellation so the project loan position can be issued and delivered.

Multifamily Changes and Conversions

When **MUST** an Issuer submit a Type 3 Conversion?

If there isn't a Final Draw



If the Issuer **advances** or funds are $<$ the minimum security amount (\$1,000)



If the final draw is $<$ the schedule principal collected and loan commenced amortization.



Issuers **cannot** request a Type 3 Conversion with draw issuance **in the same month**. For example, if you issue the last draw in April, you must convert in May, not April.



Multifamily Changes and Conversions

TYPE 5 CONVERSION

What is a Type 5 Conversion?

A Type 5 Conversion is when the final draw and PN conversion are submitted together for issuance. The final CLC is delivered for settlement, and three business days later the CLC is automatically canceled when the PN is delivered through the FRBNY for settlement.

Whoever holds/owns all the CLCs must return the positions to the FRBNY for cancellation so the project loan position can be issued and delivered.

Type 5 Conversion Steps

1. Issuer contacts BNY Mellon to obtain Investor(s) of record for the CL pool.
2. BNY Mellon contacts FRBNY for Dealer/Investor details; forwards information to Issuer.
3. Final draw/PN conversion (Type 5) submission is received by BNY Mellon.
4. BNY Mellon contacts FRBNY to send a broadcast message to Dealers/Investors regarding the conversion.
5. CL/PN conversion is approved for issuance and settlement.

Modifications



- Must contact Ginnie Mae



- Investor approval required



- Must be a manual pool submission

Multifamily Changes and Conversions

- Contact BNY Mellon for system parameters.
- Can be done through MFPDM or GinnieNET for most submissions.
 - Construction Loan Pools in GinnieNET must remain in GinnieNET.
- HUD's approval for mortgage increase/decrease is required.
- Investor acknowledgment may be required.

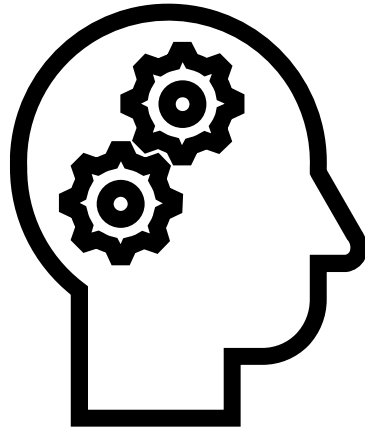
[GinnieNET On The Web Issuer Multifamily Training Guide](#)

5.1 Pool Detail Information: *Multifamily Pool Details – 11705*, Page 36

[MFPDM Issuer User Manual](#)

Table 8: Draw History Details Field List, Page 30

Knowledge Check



Polling Question

Document Custodian Transfer Requests - GinnieNET

Knowledge Check

Types of Document Custodian Transfer Requests (GinnieNET)

Overview of Document Custodian Transfer

Requests Process

Quick Tips

Overview of Document Custodian Transfer Requests

- All Document Custodian Transfer Requests are submitted via GinnieNET.
- Four types of Document Custodian Transfer Requests:
 - 1) Complete Document Custodian Transfer
 - 2) Partial Document Custodian Transfer
 - 3) Complete Document Custodian Merger
 - 4) Partial Document Custodian Merger
- Complete and Partial Transfer Requests
 - Recertification of transferred pools are due 12 months from the effective date of transfer.
- Complete and Partial Merger Requests
 - Do not require new recertification of the affected transferred pools; the status of the pool pre-merger will remain the same.
- **Important:** Once Issuer submits the Transfer Request, the New Document Custodian must certify the pending Transfer request prior to the specified Effective Transfer Date.

The screenshot shows a web application window titled "GinnieNET On The Web" with a subtitle "Certifications Communications". The main heading is "Select Transfer/Merger requests to Certify". The interface includes two "Ok" and "Cancel" buttons at the top and bottom. In the center, there are two "FTN" labels. Below them is a list of three document IDs, each with a checkbox and a right-pointing arrow. The first ID is 204500046620110519111413377, the second is 213500046620110831111235142, and the third is 395700046620090928091647187. The first ID is highlighted in a grey box. Navigation arrows (left, right, double left, double right) are positioned to the right of the list.

GinnieNET Document Transfer Menu/Host Communications

GinnieNET On The Web
Certifications Communications

Certifications Communications Selections

<p>Single-family Final Certifications</p> <p>Select Single-Family Final Certification Pools to Certify</p> <p>No Single-family Final Certification Pools to be Certified</p>	<p>Recertification</p> <p><input checked="" type="radio"/> Select from the List <input type="radio"/> Create List Manually</p> <p>Select Recertification Pools to Certify</p> <p>No Recertification Pools to Certify</p>	
<p>Select Single-family Final Certification Pools to Reject</p> <p>No Single-family Final Certification pools to Reject</p>	<p><input checked="" type="radio"/> Select from the List <input type="radio"/> Create List Manually</p> <p>Select Recertification Pools to Reject</p> <p>No Recertification pools to Reject</p>	
<p>Document Custodian Transfer</p> <p>Select Transfer/Merger Requests to Certify</p> <p>FTN</p> <p>204500046620110519111413377 Remove</p>	<p>HUD 11708 Reports</p> <p>Select HUD 11708 Reports to Acknowledge</p> <p>No HUD 11708 Reports to Acknowledge</p>	
<p>Select Transfer/Merger Requests to Reject</p> <p>No Transfer/Merger requests to Reject</p>	<p>Select HUD 11708 Reports to Return</p> <p>No HUD 11708 to Return</p>	
<p>HMBS Final Certifications</p> <p>Select HMBS Final Certification Pools to Certify</p> <p>No HMBS Final Certification Pools to be Certified</p>		<p>Select HMBS Final Certification Pools to Reject</p> <p>No HMBS Final Certification pools to Reject</p>

Demonstration

Quick Tips

For Complete Document Custodian Transfer or Merger, the Issuer is required to submit a completed pool list.

For a Partial Document Custodian Transfer or Merger, the Issuer is required to submit a completed list of the pools being transferred; as well as the pool listing(s) for Existing Document Custodian(s).

The Issuer should enter an Effective Date of Transfer as a business day of the month at least three (3) days past the current date and not more that six months past the current date.

If a pool is transferred with a Final Certification pending, then when the new Issuer completes the pending Final Certification, that certification will close out both the open Final Certification and the pending Recertification from the recent transfer.

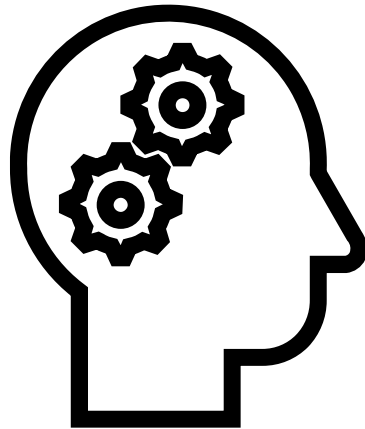
An e-Notification of approval or rejection is sent to the Issuer and new Document Custodian.



Pool listing may be imported or key entered directly into GinnieNET.

[GinnieNET On The Web Issuer Single Family Training Guide](#)
Section 6.8 Documents Custodian Transfer, Page 89

Knowledge Check



Polling Question

Resources and Questions

Supporting Resources



[Ginnie Mae MBS
Guide](#)



[MFPDM User Manual](#)



[MFPDM QRCs](#)


Q&A





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