

Modernization & Issuer Outreach Call

September 21, 2023

Modernization & Issuer Outreach Call — Agenda

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Platinum RG

Platinum C-RG– Overview

In support of its mission and to continue its role in the secondary mortgage market, Ginnie Mae’s operational infrastructure must be agile, adaptable, and able to support efficient data processing and information management. To further support optimal program management, Ginnie Mae is currently modernizing its securitization platform technology, processes and related policy. The securitization platform modernization effort is centered on leveraging state of the art technology across the Ginnie Mae enterprise, while also ensuring that ongoing business and operational enhancements blend seamlessly into these structural changes.

*Ginnie Mae announced the **new pool Custom pool type “C RG” for reperforming loans**. Under the new requirements, reperforming loans are only eligible for the new pool type and are **identified using a Loan Purpose Code of “5-reperforming” at pooling**. Otherwise, the new C RG pool maintained the same parameters as other C custom pool types.*

Benefits & Functionalities

Single Class C-RG Pool Types: Changes to Platinum will allow single class C-RG pool type to be included in platinum C-SP and C-JP pools.

New Custom Pool Type: Reperforming loans are only eligible for the new pool type and are identified using a Loan Purpose Code of “5-reperforming” at pooling.

RSA Soft Token

Automated Provisioning

RSA SecurID Soft Token Automated Provisioning – Overview

RSA Soft Token Automated Provisioning 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. Additionally, **this release will modify the how user inactivity is managed within MyGinnieMae to improve the user and Organization Administrator Experience.**

Benefits & Functionalities



New User Registration Form Modification: Existing Token Holder registration is no longer applicable and will be captured automatically.



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



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



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.



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



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

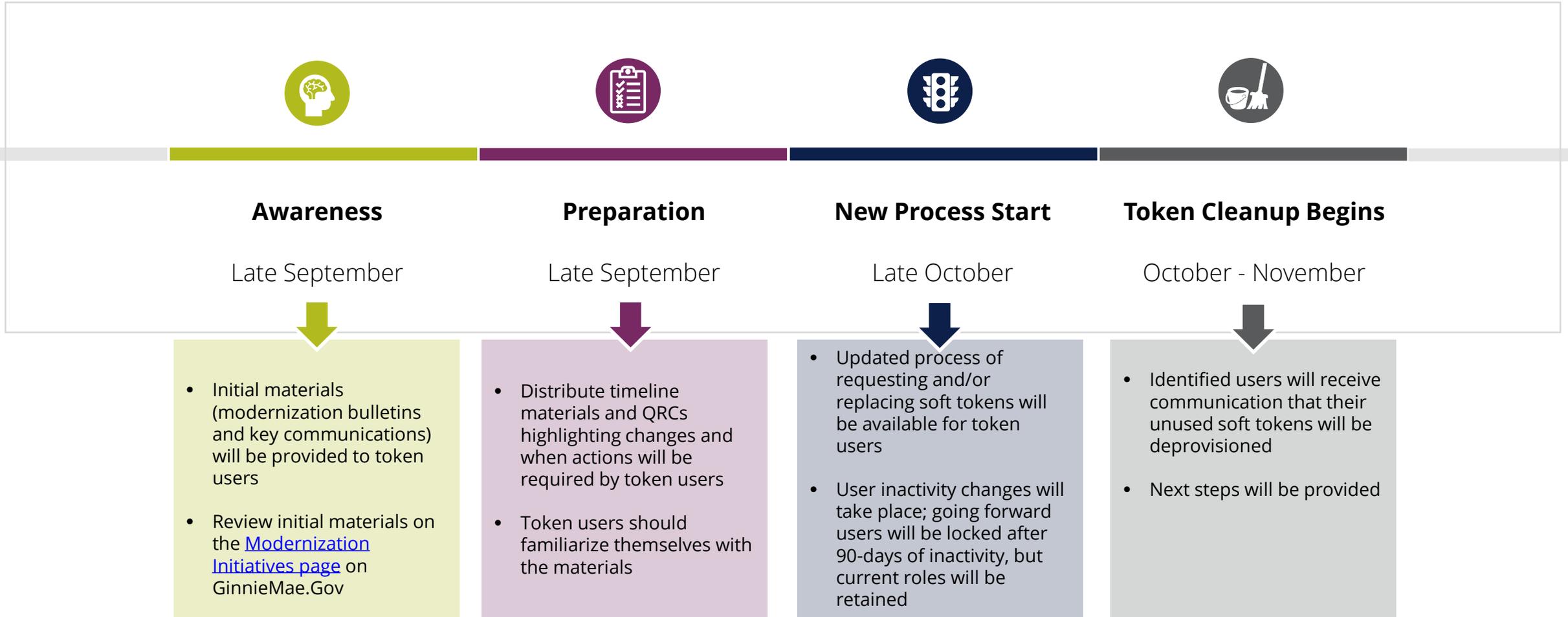


Provisioning a New Soft Token: Allows for RSA Soft Tokens to be automatically provisioned once a functional role has been requested and will trigger a welcome email as well as instruction for installation and use of the soft token.



User Inactivity Changes: Following the 90-day inactivity period, users will be **locked** instead of disabled. This will retain the end-user’s current Functional Roles and Organization Administrators will only be required to unlock the user.

RSA SecurID Soft Token Automated Provisioning – Timeline



If you have any questions, please email askGinnieMae@hud.gov

IOPP Scorecard

IOPP Scorecard – Overview and Single Family Prepayment Metric Outage

Overview: The **Issuer Operational Performance Profile (IOPP)** provides Issuers with a framework and methodology to gauge their effectiveness in Ginnie Mae programs. The tool assesses Issuer individual performance using key indicators, and measures Issuer operational and default performance in comparison to peers.

Single Family Prepayment Rate Metric Outage

Single Family Prepayment Rate Metric Outage Status: No Change

Ginnie Mae continues to experience a service outage of the Single Family Prepayment Rate Metric impacting the IOPP scorecard for Single Family Issuers.

Background: In July, Ginnie Mae received reports of a service outage of the Single Family Prepayment Rate Metric, impacting the IOPP scorecard for single family issuers.

Response:

- The Single Family Prepayment metric will continue to display June data on the IOPP Scorecard.
- Ginnie Mae issued [Modernization Bulletin #27](#) alerting issuers of the metric outage.

Next Steps: Once the Single Family Prepayment Rate Metric is up to date, Ginnie Mae will release a Modernization Bulletin notifying issuers of the resolution.

RFS Expanded Data Collection

RFS Expanded Data Collection – Project Scope and Benefits



1st APM Released

[APM 23-05](#) was released on May 26, 2023, announcing **11 additional** and **1 updated** existing SF and MF data elements to provide **additional accuracy and insight into the loan collateral in Ginnie Mae MBS Program.**



Purpose

- Enhanced and Expanded Loan Level Dataset
- Enhancements to Data Disclosure to Investors
- Greater visibility and monitoring of Mortgage-Backed Securities at the loan collateral

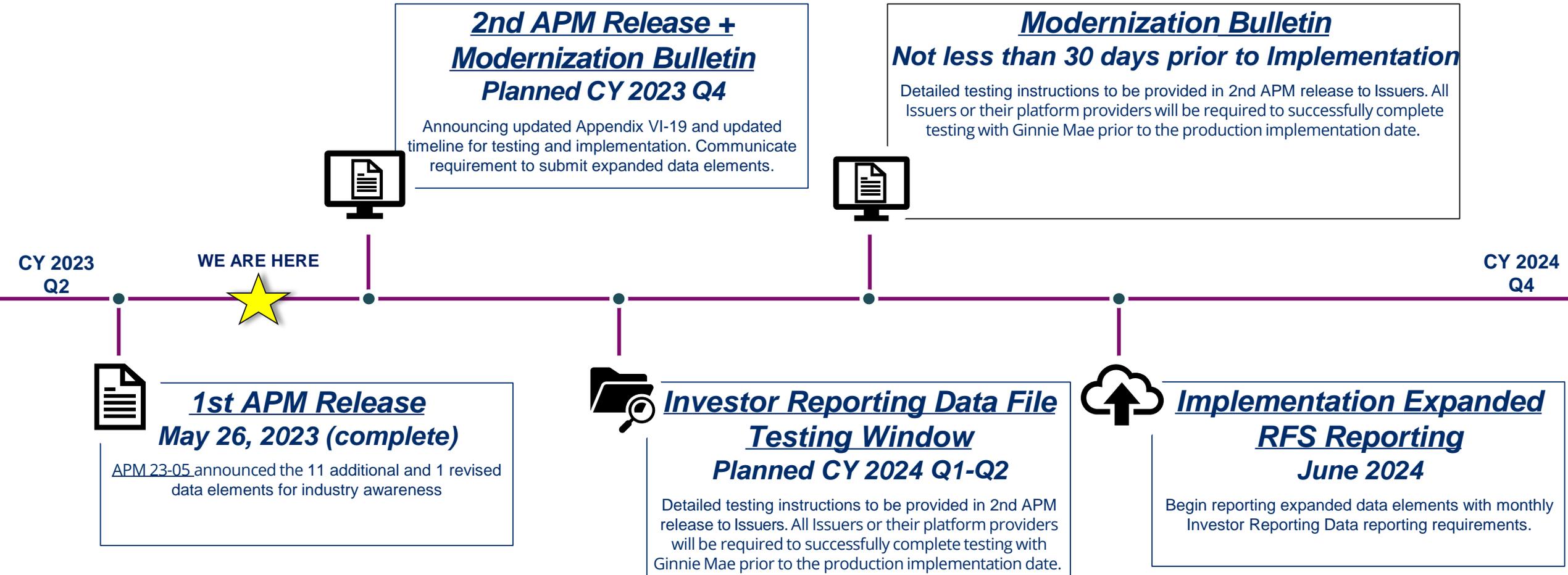


Impact:

- Collecting additional data elements at the **Servicing System level** for Single Family and Manufactured Housing Issuers:
- Adding **11 new loan level data elements** and revising “Loan Level Removal Reason Code” including an additional selection
- Expands existing reporting layouts with no change in reporting workflow

If you have any questions, please email askGinnieMae@hud.gov

RFS Expanded Data Collection – Roadmap



RFS Expanded 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 the 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.

RFS Expanded 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.

Payment Default Status (PDS)

Payment Default Status Reporting (PDS): Background

Purpose: A new data collection process to **enhance existing Investor Reporting** that will fill critical operational and disclosure data gaps needed to increase accuracy and efficiency of Ginnie Mae's monthly investor reporting, as well as **align with industry standards**. The enhancement will allow for expanded data collection of the **Single Family** default status of nonperforming loans.

Why: Current legacy reporting **does not** support detailed payment default status collection. The **new reporting stream & file layout within RFS** will create standardized reporting, while allowing Ginnie Mae the flexibility to customize and enhance this new file layout as the industry evolves.

How: Monthly Payment Default Reporting (PDS)

Ginnie Mae will obtain PDS data from **Single Family Issuers** in a new file and module of RFS.

BENEFITS

- 1 Ensure Ginnie Mae gains **granular insight** into the state of each Issuer's delinquent loans in Ginnie Mae Pools.
- 2 Present a **familiar set** of data elements and formats to Issuers and servicing software vendors.
- 3 **Minimize the custom coding** required by Issuers and servicing vendors to meet the new Ginnie Mae reporting requirement.

If you have any questions, please email askGinnieMae@hud.gov

Payment Default Status Reporting: Roadmap

Below are anticipated milestones for the phased approach to begin reporting PDS data elements. The projected testing timeline will be approximately 3 months prior to the start-up of PDS Reporting to RFS. Additionally, PDS Reporting **will replace the current supplemental forbearance file for Single Family Issuers.**

WE ARE HERE



Test Development System with Early Adopters (Complete)

The PDS program was tested with Early Adopters, to provide insights on the program functionality, to refine its design features.



Initial APM Release

An APM is forthcoming, to announce the release of the Payment Default Status (PDS) Reporting.



PDS Testing

Ginnie Mae will work with Issuers, Sub-servicers and Service Bureaus to coordinate testing.

PDS Testing window schedule will be announced ahead of the start date.



PDS Reporting

PDS Reporting will replace the supplemental forbearance file that is currently submitted.

All Single Family Issuers will be required to report Payment Default Status data.

Payment Default Status Reporting (PDS): Delinquency Record

The new Delinquency Record contains the loan level data elements related to the Ginnie Mae PDS, including the Default Action and Reason codes, and consists of one record for each loan reported.

Field	Notes/Remarks
Record Type	Constant D – PDS Record
Ginnie Mae Loan ID	Must be valid Ginnie Mae Unique Loan ID
Pool ID	Must be a valid Ginnie Mae pool ID
Issuer Loan ID	A sequence number unique to loan level
Default Reason Code*	Associated with one of the Default Reason Codes defined
Estimated Forbearance Term	Digit; if not known or not applicable, fill with 99; if Term is less than 10 fill with leading zero
Default Action Code*	Associated with one of the Default Action Codes defined
Default Action Code Date	YYYYMMDD

MAMS Renewal Reminder

MAMS Renewal - Reminder

Master Agreements

- ✓ All but one master agreement can be uploaded and submitted through GMEP 1.0
 - HUD 11702 – original document must be sent
- ✓ All forms must be renewed yearly, **by the end of the calendar year**
 - **Except** HUD 11709A – ACH Debit Authorization does not need to be renewed yearly
- ✓ Renewals may be processed from the **first business day of October** until **last business day of December**
- ✓ If there are no changes to your form, a renewal is sufficient. **You will only create a new document when there are changes.**

SFPDM Adoption

Where We Are in The Effort: SFPDM and PDD Adoption

An overview of where we are in the SFPDM Adoption effort is included below:

Required PDD/SFPDM Implementation

Issuers were required to test their PDD in the Validation & Testing Tool (VTT) or pool in the Single Family Pool Delivery Module (SFPDM) by **July 31st**.

July 2023

GinnieNET Cutover of Pooling Functions

Following **December 1st**, SFPDM will be the only application available for Single Family (SF) and Manufactured Housing (MH) pooling. **MBS Guide changes will be announced via an APM prior to this date.**

December 2023

Major Accomplishments

243 

Issuers met the July 2023 Requirement

This group accounted for **97%** of past 12-month Single Family Issuance

2500+ 

PDD files tested in the VTT on average in the past 3 months

198 Issuers and **16 Vendors** have tested since the VTT became available

18 Vendors 

have made their PDD Software available to Issuers

Accounting for **96%** of Issuers that reported working with a Vendor

Current Focus: PDD 3.0 Adoption and GinnieNET Cutover

The SFPDM Adoption Team has been focused on the following:



PDD Specifications 3.0 Adoption

Issuers who are planning to transact **Extended Term (ET), Re-Performing (RG), and/or Digital Collateral (eNotes) Products** using the PDD will need to convert to PDD Specifications 3.0 by December 1, 2023



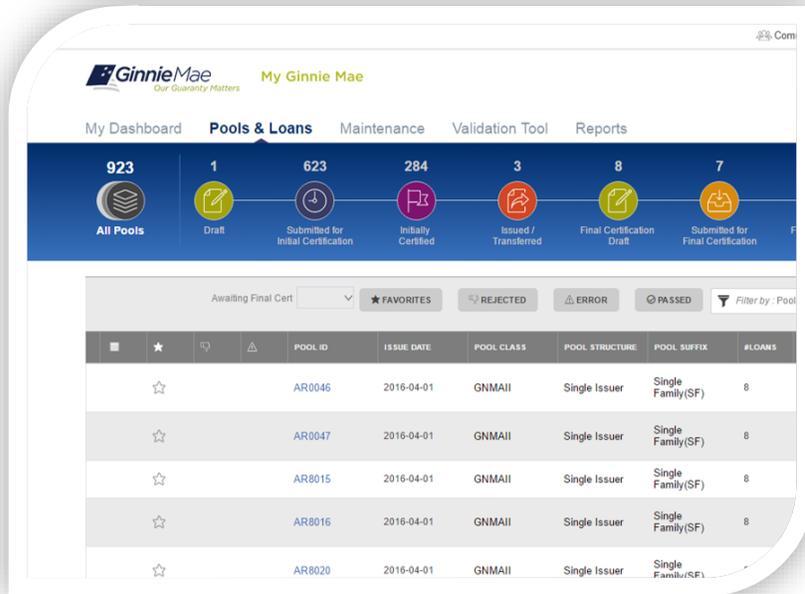
GinnieNET Cutover of Pooling Functions

Following **December 1, 2023**, SFPDM will be the **only application** available for SF and MH pooling

- All SF and MH Program Issuers must **prioritize any final PDD testing and fully transition pooling activities** to SFPDM by this date

SFPDM User Feedback & Resources

The SFPDM Adoption Team has received positive feedback from Issuers that are in the application. An overview of that feedback along with SFPDM resources is included below:



What We Are Hearing from Users...



Easy to Use

*"Using SFPDM is a piece of cake"
"Very intuitive"*



Enhanced User Experience

"SFPDM is a significant upgrade. It has been well thought through"



Thorough Training Materials

"Been able to get resources up to speed quickly because of the intuitiveness [of the SFPDM] and thorough training documents"



Useful & Responsive Expert Support Channels

"Team has been great about being available to support our development effort"



For Program Announcements and Resources:

- ✓ Subscribe to GinnieMae.gov Notifications
- ✓ Visit the **Modernization Initiatives Page**, within the **Issuer Training** section
- ✓ Attend **Modernization Outreach Calls**



For Customer Support:

- ✓ Email askGinnieMae@hud.gov
- ✓ Dial 1-833-466-2435
- ✓ Attend Bi-Weekly **SFPDM & PDD Listening Sessions**

We are here to support you!