

# Modernization Outreach Call

---

February 17, 2021

# **Modernization and Issuer Outreach Call — Agenda**

## **| Issuer Training Opportunities**

([https://www.ginniemae.gov/issuers/issuer\\_training/Pages/GinnieNETTrainingAnnouncements.aspx](https://www.ginniemae.gov/issuers/issuer_training/Pages/GinnieNETTrainingAnnouncements.aspx))

## **2 - 4 | RFS Expanded Data Collection**

## **5 - 7 | SFPDM Adoption**

## RFS Expanded Data Collection

The objective of the RFS Expanded Data Collection project is to include 12 new data elements to enhance existing Investor Reporting.

- The new data elements include:
  - 9 new data elements on the Loan Record (L Record)
  - 2 new data elements on the Various Record (V Record)
  - A new Removal Reason Code, along with updated removal reason code definitions, on the Loan Record (L Record)
- The project team recently received PRA approval from OMB, and an APM is forthcoming.
- There is a tentative nine-month window for development and testing, covering the period from March 2022 through November 2022, targeting full implementation in the November 2022 reporting period (December 2022 calendar month).
- Further guidance regarding developing and testing will be covered in a follow-up APM.

The RFS Expanded Data Collection project provides the following benefits:

- Allows greater accuracy in RFS pool/loan accounting payment calculation for operations
- Provides essential metrics for disclosure to the capital markets
- Enables greater ability to monitor MBS collateral
- Assists in the path towards loan level details

# RFS Expanded Data Collection

RFS Expanded Data Collection includes the 12 additional data elements below.

Element Name	Definition
<b>Scheduled UPB Amount</b>	The dollar amount of the current Unpaid Principal Balance of the loan amortized through the month following the current reporting period.
<b>Actual Payment Date</b>	The actual date the last scheduled payment was received (the posting date for last scheduled installment).
<b>Curtailment Principal Code(s)</b>	A code indicating the type of curtailment reported, 1 = borrower funds curtailment 2 = claim funds curtailment 3 = other funds curtailment.
<b>ARM Prospective Interest Rate</b>	The new “to be” interest rate of the ARM loan.
<b>ARM Prospective Monthly P&amp;I</b>	The new “to be” month P&I payment amount of the ARM loan.
<b>Document Custodian ID**</b>	The Ginnie Mae Document Custodian ID for the document custodian of the mortgage.
<b>Scheduled Monthly Interest Amount</b>	The calculated scheduled (per the amortization schedule) monthly interest amount for the mortgage as of the end of the reporting period. The scheduled interest is generally equal to the interest due on the scheduled payment due on the mortgage amortized to one month beyond the report period for a current loan.
<b>Gross Service Fee Amount Collected</b>	The dollar amount of servicing fee collected on the mortgage, for the report period. A dollar amount field, must be greater than zero.
<b>Removal Reason Codes (Expansion of Existing Values)</b>	A code that denotes the reason why the loan was removed from the Ginnie Mae pool. The additional code is 7 = Special Assistance.
<b>ARM Adjustment Effective Date</b>	The effective date of the ARM adjustment; the scheduled installment due date of the new “to be” P&I on the loan.
<b>Servicer/Subservicer ID**</b>	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.
<b>Scheduled Monthly Principal Amount</b>	The calculated scheduled (per the amortization schedule) monthly principal amount for the mortgage as of the end of the reporting period. The Scheduled Monthly Principal Amount is equal to the principal due on the scheduled payment due on the mortgage amortized one month beyond the report period for a current loan.

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

# RFS Expanded Data Collection

RFS Expanded Data Collection provides updated definitions for existing Removal Reason Codes and a new Removal Reason Code field.

Reason Code	Definition
<b>Mortgagor Payoff (1)</b>	Removal Reason Code 1 applies when the Issuer has received and deposited funds on behalf of the mortgagor to pay the loan in full.
<b>Buyouts of Delinquent Loan (2)</b>	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.
<b>Foreclosure with or without Claim Payment (3)</b>	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.
<b>Loss Mitigation (4)</b>	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.
<b>Substitution (5)</b>	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.
<b>Other Removal (6)</b>	<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"> <li>- 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.</li> <li>- 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.</li> </ul>
<b>Special Assistance (7)</b>	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.

# SFPDM Adoption – 18-Month Adoption Window Timeline

Ginnie Mae’s expectations during the SFPDM 18-month Adoption Window are depicted on the following Notional Timeline:



### VTT Release

**February 22, 2021** ★  
Ginnie Mae’s Validation and Testing Tool (VTT) released. Issuers and Vendors should review Pool Delivery Dataset (PDD) specifications, engage Vendors (if applicable), and begin developing and testing PDDs in VTT.

### 1st APM Release

**January 31, 2022** ★  
Ginnie Mae APM Release announcing official policy change and **start of 18-month timeline for mandated transition to PDD and SFPDM.**

### SFPDM Rollout

**Target: April 25, 2022** ★  
Production SFPDM available to all Ginnie Mae Issuers for pooling. Within 18 months of APM release, Issuers are expected to complete their PDD development and testing to begin pooling in SFPDM.

### Case Management

**January 31, 2023 – July 31, 2023** ★  
Ginnie Mae will individually work with any Issuers who have not successfully pooled in SFPDM 6 months prior to GinnieNET cutover. This will include having regular check-ins with Issuers and engaging with their AEs to ensure they are prepared for full cutover.

### 2nd APM Release & GinnieNET Cutover

**July 31, 2023** ★  
Ginnie Mae APM release announcing MBS Guide changes and that GinnieNET will no longer be used for SF and MH pooling. Only SFPDM will be available to Issuers for SF and MH pooling.

# SFPDM Adoption – Other Important Information

Issuers should keep the following information in mind while preparing for the transition to SFPDM:



## **Pools Issued for Immediate Transfer (PIIT) / Transfer at Issuance (TAI)**

---

- PIIT/TAI execution will be available in both GinnieNET and SFPDM during the 18-month Adoption Period
- Transfers of PIIT/TAI pools can only be accepted using the same pooling application that they were initiated in
- Issuers do not have to begin pooling in SFPDM to accept a transfer in SFPDM



## **Reperforming Loan (RG) and Extended Term (ET) Pool Types**

---

- RG and ET Pool Types are not currently supported by SFPDM and must continue to be submitted through GinnieNET
- Ginnie Mae plans to make these pool types available in SFPDM prior to GinnieNET retirement



## **Changes to Pool Attestation Workflow**

---

- An attestation process will remain in GinnieNET
- Issuers will be required to view and attest to each HUD-11705 and HUD-11706 Form per pool
- Forms generated in either system will be considered the documents of record during the 18-month Adoption Period

# SFPDM Adoption – Next Steps and Support

Issuers should take the following steps to complete this transition:

- 1 Review resources**  
Issuers should review the PDD Implementation Guide and additional SFPDM Adoption resources on GinnieMae.gov within the Modernization Initiatives page and under the “SFPDM-MISMO” dropdown.
- 2 Develop the PDD (if applicable)**  
Issuers should engage their IT teams and any software Vendors to prioritize and complete development of the PDD.
- 3 Test PDD in the VTT (if applicable)**  
Issuers should leverage the VTT to test their PDD files before pooling in SFPDM.
- 4 Pool in SFPDM**  
Issuers can start pooling in SFPDM once they have a working PDD file. Issuers can also manually enter pool and loan data if they do not intend to import pool data using the PDD.

The following resources are available for additional support:



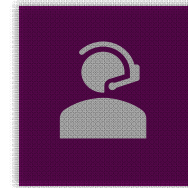
## Support Mailboxes

**PDD / VTT Support:**

GinnieMae\_MISMO\_Support@hud.gov

**SFPDM Support:**

Ginniemae1@bnymellon.com



## Helpdesk Call Center

Dial 1-833-466-2435

**PDD / VTT Support:** Select 3 then 6

**SFPDM Support:** Select 1 then 1



*February 2022*  
*Modernization and Issuer Outreach Call*

---

**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.