Introduction to Single Family Virtual Issuer Training

Ginnie Mae Reporting and Feedback System (RFS)

October 29, 2021
SINGLE FAMILY VIRTUAL ISSUER TRAINING

Presenter

Christy Christensen

Steve Audi

Gail Smith
INTERACTION INSTRUCTIONS

Audio/Microphone/Actions:

Annotation Bar:

Chat Box:
**INTERACTION INSTRUCTIONS**

**Annotations:**
- Check
- Star
- Cross

**Audio:**
- Join Audio via Phone Call
- Join Audio via Device Microphone
- Audio Conference Details

**Actions:**
- Raise Hand
  - Agree
  - Disagree
  - Applaud
  - Laugh
  - Step Away
  - Speak Louder
  - Speak Softer
  - Speed Up
  - Slow Down

**Chat Box:**
- Room Chat (Everyone)
SESSION 2 RECAP

What were your key takeaways from Session 2?
Do you have any unresolved questions?
*(Use the whiteboard text annotation tool to respond)*
# SESSION 2 RECAP

## Topics Covered in Session 2:

<table>
<thead>
<tr>
<th>5</th>
<th>RFS Monthly Report of Pool and Loan Data</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>List the four types of RFS records</td>
</tr>
<tr>
<td></td>
<td>Explain how to edit records appropriately</td>
</tr>
<tr>
<td></td>
<td>Define which calculations are performed by RFS</td>
</tr>
<tr>
<td></td>
<td>Distinguish which fields an Issuer is responsible for reporting and editing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6</th>
<th>RFS Exception Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Define common Exceptions messages and Summarization Alerts</td>
</tr>
<tr>
<td></td>
<td>Describe how to navigate the Exception Summary screen to view Exception Feedback</td>
</tr>
<tr>
<td></td>
<td>List steps to retrieve and download Exceptions Feedback file</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>7</th>
<th>Overview of Reporting Workflow</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Describe two ways to report Pool and Loan level data</td>
</tr>
<tr>
<td></td>
<td>List when and which records are required to be reported</td>
</tr>
<tr>
<td></td>
<td>Describe how to report corrections</td>
</tr>
<tr>
<td></td>
<td>Explain how to confirm a file was uploaded successfully</td>
</tr>
<tr>
<td>Session 1:</td>
<td>Session 2:</td>
</tr>
<tr>
<td>-----------</td>
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</tr>
<tr>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Introduction</td>
<td>RFS Monthly Report of Pool and Loan Data</td>
</tr>
<tr>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Reference Documentation</td>
<td>RFS Exception Feedback</td>
</tr>
<tr>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>RFS Reporting Timelines</td>
<td>Overview of Reporting Workflow</td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>E-Notification</td>
<td></td>
</tr>
</tbody>
</table>
Additional Investor Reporting Requirements
OBJECTIVES: ADDITIONAL REPORTING REQUIREMENTS

Module Objectives

List additional **monthly reporting requirements**

List additional **quarterly reporting requirements**

Explain the **timeline for additional reporting requirements**

What tasks should an Issuer be able to complete after training?

What new information will Issuers be exposed to?
### ADDITIONAL INVESTOR REPORTING REQUIREMENTS

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Monthly Reporting Certification – opens 10th business day, completion by 14th business day</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Loan Matching and Suspense - <strong>Monthly</strong></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>11714 Remittance Advice – GNMA I certificated</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>SCRA – <strong>Quarterly</strong></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>CAVS – <strong>Quarterly</strong></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>WHFIT – <strong>Quarterly</strong></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>New Pools Data Quality – <strong>Monthly</strong></td>
<td></td>
</tr>
</tbody>
</table>
MONTHLY REPORTING CERTIFICATION

Opens 10th Business Day
Completion due by 14th Business Day

Ginnie Mae
Our Guaranty Matters

Single Family Issuer Training 10
MONTHLY REPORTING CERTIFICATION

Must have a SecurID Token:

- **For Issuer**, user ID must be a signor on form HUD 11702 Resolution of Board of Directors (approved in MAMS).
- **For Subservicer**, user ID must be a signor on their Issuer’s form HUD 11702 and must have form HUD-11707 Master Servicing Agreement (approved in MAMS).
Ginnie Mae Loan Matching

WHAT IS IT

RFS automated process; runs “monthly”; electronically matches Issuer-reported loan data to the Agency “master” data

EXAMPLES

- FHA Single Family Insurance System A43 Database (SFIS)
- Computerized Homes Underwriting Management System (CHUMS)
- VA Guaranty Data
- RD (USDA RHS) USDA RD Endorsement Data
- NA (PIH) not matched at this time
Ginnie Mae Loan Matching – “Match Criteria”

Issuer Reported Loan Data (RFS Reporting) is matched to Agency Reported Loan Data

- Fields Matched:
  - Case Number* (Field 5 RFS “L” Record)
  - OPB** (Field 10 RFS “L” Record) for FHA, VA, and RD
- FHA Streamline includes these fields: Interest Rate, Maturity Date, Zip Code***
- Issuers must resolve “Non-Matches”

* Agency Case Number within 15 Digit RFS reported Case Number
** Original Principal Balance per the mortgage note
*** First 3 digits
ACCESSING MATCHING AND SUSPENSE

Enterprise Portal

Home My Profile RFS File Upload IPMS

Exception Feed

1.0 Home Home
Pool Accounting - Single Family
Pool Accounting - Multifamily

Navigation

Use the tab below to navigate to the major functional areas of Exception Feedback:

- Matching and Suspense (MAS)
- Servicemembers Civil Relief Act (SCRA)
- e-Notification (eN)
- Issuer Feedback
- HMBS Reporting and Administration (HRA)
- Widely Held Fixed Investment Trust (WHFIT)

Home

Clicking on the Home tab will take you to the home page.

Summary

This tab takes you to the Issuer Summary screen which is a single screen view of submission status, exception statistics, etc.

Exceptions

This tab takes you to the Alert List screen which displays a Summary list of pool and loan exceptions, sorted by exception type.

Download

This tab takes you to the Issuer FA List screen whereby you can select an RFS Submission file to view the FA Data received, the FA Data in either Comma Separated Values (CSV) or XML Format, or select the link to access the Download Exception Data.
NON-MATCHING LOANS DOWNLOADS

**Navigation Overview**
Click on the tabs/links at the top of this page to navigate to the main areas of RFS Matching and Suspense:
- Home
- Loan
- Suspense
- Matching Results
- Downloads
- About MAS
- User Guide

**Home**
Click on this tab from any page to return to the home page.

**Loan**
Click on this tab to display the Loan Detail screen.

**Suspense**
Click on this tab to display the Suspense List screen.

**Matching Results**

**Loan Match User Guide Online**
1) Loans with a Match Code of MC or NC: Contact the Agency and confirm that the insurance is Active for the current Reporting Period and verify the OPB matches the Mortgage Note.

2) For aged Non-matching loans refer to APM 18-01: Mandatory Buyout of Loans Missing the Requisite Federal Agency Insurance or Guarantee. Contact the Ginnie Mae Loan Buyout Team at GinnieMaeBuyout@Hud.Gov regarding the mandatory buyout approval.

3) If the loan had a curtailment contact GinnieMaeHelp@Deloitte.com. Refer to MAS User Guide section 9.

4) If the loan has been modified: Confirm the Ginnie Mae reported OPB matches the Mortgage Note; and the Loan Purpose Code is reported as 3 (HAMP) or 4 (non-HAMP) in the Various record.

See MAS User Guide / section 7.2:

For non-modified FHA loans: Five data fields are used for loan matching. If the issuer-reported data does not match the FHA-reported data; it appears on this download.
<table>
<thead>
<tr>
<th>Unique Loan Id</th>
<th>Pool Id</th>
<th>Case Number</th>
<th>Issuer Loan Id</th>
<th>Match Code</th>
<th>Matching Date</th>
<th>Loan Type</th>
<th>Pool Issue Date</th>
<th>OPB</th>
<th>Agency Mat</th>
<th>Loan Mat</th>
<th>Agency Int</th>
<th>Loan Int</th>
<th>Agency ZIP</th>
<th>Loan ZIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2047811111</td>
<td>#697974</td>
<td>#0004859222111111</td>
<td>#00002206111111</td>
<td>MA</td>
<td>7/8/2019</td>
<td>FHA</td>
<td>6/1/2010</td>
<td>162993</td>
<td>1-Jun-40</td>
<td>1-Dec-40</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td></td>
</tr>
<tr>
<td>205462222</td>
<td>#737486</td>
<td>#00105583632222222</td>
<td>#00003728222222</td>
<td>MA</td>
<td>11/16/2010</td>
<td>FHA</td>
<td>10/1/2010</td>
<td>116432</td>
<td>#</td>
<td>4.625</td>
<td>4.375</td>
<td>#</td>
<td>#</td>
<td></td>
</tr>
<tr>
<td>207023333</td>
<td>#738650</td>
<td>#00372426173333333</td>
<td>#00003218333333</td>
<td>MA</td>
<td>7/7/2020</td>
<td>FHA</td>
<td>8/1/2011</td>
<td>138468</td>
<td>#148</td>
<td>#144</td>
<td>#148</td>
<td>#148</td>
<td>#148</td>
<td></td>
</tr>
<tr>
<td>214864444</td>
<td>#AF1085</td>
<td>#0005278771444444</td>
<td>#00004889444444</td>
<td>MC</td>
<td>7/7/2015</td>
<td>FHA</td>
<td>6/1/2015</td>
<td>226556</td>
<td>#</td>
<td></td>
<td>#148</td>
<td>#148</td>
<td>#148</td>
<td></td>
</tr>
</tbody>
</table>
# MATCH STATUS CODE VS PA-SF EXCEPTIONS

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC - MAT001</td>
<td>Not matched on Case Number; Verify the Loan is actively insured, Verify you are reporting the correct Case Number and OPB, Verify the Agency is reporting the correct Case Number and OPB, if not have it corrected.</td>
</tr>
<tr>
<td>MC - MAT002</td>
<td>Matched on Case Number only; Verify the Loan is actively insured, Verify you are reporting the correct Case Number, Verify the Agency is reporting the correct Case Number, Verify OPB matches the NOTE.</td>
</tr>
<tr>
<td>MA/NI</td>
<td>Matched on Case Number and OPB (FHA streamline only)</td>
</tr>
<tr>
<td>Verify Interest Rate = MAT003</td>
<td>Verify you are reporting the correct Interest Rate, Verify the Agency is reporting the correct Interest Rate, if not have it corrected.</td>
</tr>
<tr>
<td>Maturity Date = MAT005</td>
<td>Verify you are reporting the correct Maturity Date, Verify the Agency is reporting the correct Maturity Date, if not have it corrected.</td>
</tr>
<tr>
<td>Zip Code = MAT004</td>
<td>Verify you are reporting the correct Zip Code, Verify the Agency is reporting the correct Zip Code, if not have it corrected.</td>
</tr>
</tbody>
</table>
MANUALLY HARD-CODING MC STATUS LOANS

Hard-Coding Loans with a Principal Reduction

Hard-Coding Modified Loans with Principal Reductions

Hard-Coding VA Vet/Non-Vet (joint) and TX Land Board Loans

USDA RD Loans for multiple borrowers on a loan

USDA RD Loans when the primary borrower is deceased

NOTE: We are never permitted to receive documentation via email or secure email, evidence must be securely uploaded to RFS.
Suspended records for the March reporting period are now available to view and download from the Ginnie Mae RFS Matching and Suspense (MAS) module. Instructions to view Suspense Items and download the Suspense List are found in Section 5.2 and Section 7.4 respectively of the MAS User Guide. Click on the MAS Suspense tab to view suspended records. Click on Suspense under the Download tab and follow the instructions to download the Suspense List. Review the items, mark the records with an A to accept or an R to reject in the appropriate column, and return it in spreadsheet format only to GinnieMaeSuspense@deloitte.com no later than 9:00 AM EST on the 2nd to last Business Day of April.
TERMINATED LOAN MATCHING E-NOTIFICATION

Terminated Loan Matching Notification
07/16/2018 02:34:09 PM

View Issuer Notification

Issuer #: 
Date Created: 7/16/2018 2:34:09 PM
Reference #: 980802
Notice Type: Loan Processing
Subject: Terminated Loan Matching Notification
Message: (right click on a file name below to download the file)
mst_itr003_20180716_1434.pdf (171769)

Read By: 
Date Read: 

Back
## Matching and Suspense Workflow Schedule

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Download File or Letter</th>
<th>E-Notification</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 5th BD and 10th BD</td>
<td>“Insurance” Match all 3 Agencies (Corrections can be made between the 5\textsuperscript{th} and 10\textsuperscript{th} BD, and after 10\textsuperscript{th} BD)</td>
<td>No</td>
</tr>
<tr>
<td>After 5th BD and 10th BD</td>
<td>Match to Terminate FHA and RD only</td>
<td>Yes</td>
</tr>
<tr>
<td>After 5th BD and 10th BD</td>
<td>Loan Match Suspense (for Data Changes)</td>
<td>Yes</td>
</tr>
<tr>
<td>After 5th BD and 10th BD</td>
<td>Aged Matching Monthly</td>
<td>Yes</td>
</tr>
<tr>
<td>After 5th BD and 10th BD</td>
<td>Aged Terminated Matching</td>
<td>Yes</td>
</tr>
<tr>
<td>7th BD</td>
<td>Various Suspense (for Data Changes)</td>
<td>Yes</td>
</tr>
<tr>
<td>Contacted As Applicable</td>
<td>Monitoring Letters</td>
<td>No</td>
</tr>
</tbody>
</table>
Issuers that make payments directly to holders of certificated Ginnie Mae securities.
Issuers that make payments directly to holders of certificated Ginnie Mae securities.
Servicemembers Civil Relief Act (SCRA)
MBS Guide Chapter 34-3 SCRA Interest Shortfall Assistance

- Federal SCRA provides that no obligation or liability bearing interest at a rate in excess of 6% a year incurred by a borrower before the borrower enters active military duty shall, during the borrower’s period of active military duty and for one year thereafter, bear interest at a rate in excess of 6% a year. Once the borrower’s period of active military duty and one year thereafter is over, the Issuer is permitted to collect the rate of interest provided for in the mortgage.

- Ginnie Mae is authorized reimburses Issuers for interest forgiven under the SCRA for the borrower’s period of active military duty, and as set forth fellow for up to one year following the active-duty period.

- Ginnie Mae reimburses Issuers for interest forgiven under the SCRA for one year after a borrower’s period of active military duty provided that the borrower was on active duty on or after July 30, 2008, as provided for in the Housing and Economic Recovery Act (HERA) of 2008.

- All SCRA documentation is now uploaded through GMEP per APM 20-04 SCRA Process Improvements.
SERVICEMEMBERS CIVIL RELIEF ACT (SCRA)
Servicemembers Civil Relief Act (SCRA)

Eligibility Processing
- Summary
- Eligibility Form
- New Eligibility List
- Pending Eligibility List
- Denied Eligibility List
- Approved Eligibility List
- Download Eligibility Feedback

Reimbursement Processing
- Summary
- Reimbursement Form
- New Reimbursement List
- Pending Reimbursement List
- Denied Reimbursement List
- Approved Reimbursement List
- Download Reimbursement Feedback

E-Library
- Archived Eligibility List
- Archived Reimbursement List
- Bulk Archive

Other Information
- View Issuer Information
- Loan Key Lookup
- View/Update SCRA Contact
- Contact Us

Important Submission Schedule
- SCRA Eligibility Requests have no submission deadline.
- SCRA Reimbursement Requests are submitted quarterly and are due by the 10th of May, August, November, and February.
- Corrections to Reimbursement Requests are due by the 15th of May, August, November, and February.
- Approval is a rolling process. Records will automatically be moved to the appropriate list immediately after processing.
- An email report will be sent to the SCRA contact email address for each process.
- Between the 20th and the 28th of each Reimbursement reporting month, modification is restricted to pending reimbursements.
Custodial Account Verification “CAVS”
MBS Guide Chapter 16-8 Custodial Institution Ratings.

Issuer must submit a verification between the 6th and the 15th business day of March, June, September and December stating funds custodian meets the requirements specified above.

Must be reported to RFS by online data entry or file upload.

Separate certification for each fund custodian pursuant to Master Agreement for Servicer’s Principal and Interest Custodial Account, form HUD 11709.
QUARTERLY VERIFICATION

Navigation Overview

Use the tabbed links at the top of this page to navigate to the major functional areas of Single Family RFS:

- Home
- Pool
- Loan
- Quarterly Verification
Instructions for Verification Records

1. This screen is the starting point for custodial account verification reporting.

RFS "pre-populates" custodial account records based on the Issuer's monthly Pool Reports to RFS. The next screen will show records that are "pre-populated"; records that have been previously created for this period by the Issuer; and it will show any records uploaded for this period by the Issuer.

2. Make sure the Issuer ID is correct;
   1. Select the current Reporting Quarter from the Drop Down;
   2. Click GO.

3. The next screen allows data entry of custodial account verification records.
   1. To enter data for an existing record, select the record and on the edit screen enter the custodial account verification data.
   2. To enter a new record, click on "New Quarterly Verification Record". Select the "Account Type" and enter the custodial account verification data.
   3. To delete a record, click on "Delete". Only the editable data fields will be deleted.

If additional instruction is needed, download the User Guide. Select "User Guide" from the top menu bar on this page.
Widely Held Fixed Investment Trust (WHFIT) Reporting

- Reported through GMEP, RFS Menu item, Select “WHFIT” or file upload.
- Additional information in FAQs – subcategory – WHFIT
- WHFIT tax information is to be submitted by the 10th calendar day of the month – corrections due by 15th calendar day

<table>
<thead>
<tr>
<th>Report Months</th>
<th>Quarterly Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>January, February, March</td>
<td>Due April 10th, corrections by the 15th</td>
</tr>
<tr>
<td>April, May, June</td>
<td>Due July 10th, corrections by the 15th</td>
</tr>
<tr>
<td>July, August, September</td>
<td>Due October 10th, corrections by the 15th</td>
</tr>
<tr>
<td>October, November, December</td>
<td>Due January 10th, corrections by the 15th</td>
</tr>
</tbody>
</table>

Appendix VI-18 Widely Held Fixed Investment Trust
https://ginniemae.gov/issuers/program_guidelines/MBSGuideAppendicesLib/Appendix_VI-18.pdf
WHFIT TAX REPORTING

The purpose of the Widely Held Fixed Investment Trust (WHFIT) is described below.

Home

Clicking on this tab from any page will return you to this home page.

Pool

This tab takes you to the Pool Activity screen. From the Pool List screen you can see the submitted changes to normally static pool data (e.g., security rate, maturity date, etc.), drill down to individual...
WHFIT TAX REPORTING

---

File Upload or Manual Entry

---

**Navigation Overview**

Click on the tab/links at the top of this page to navigate to the major functional areas of RFS WHFIT.

- Home
- Issuer
- Reports
- About WHFIT
- User Guide.

The purpose and general content of each major functional area are described below.

**Home**

Click on this tab from any page to return to the Home page.

**Issuer**

Click on this tab to display the Monthly Reporting screen.

**Reports**

Click on this tab to access the WHFIT reports and select the following reports to view:

- Summary Report
- Exception Report.

**About WHFIT**

Click on this tab to display the RFS software version for WHFIT.

**User Guide**

Click on this tab to download and view the RFS WHFIT User Guide.
Files must be uploaded through RFS File Upload.

Issuers must submit annual financial statements and related documents in accordance with Chapter 3 of the MBS Guide. Such documents must be reported in accordance with Appendix VI-20 of the MBS Guide.

Financial Documents are submitted via the Ginnie Mae Enterprise Portal (GMEP). In accordance with Chapter 3, documents are due within 90 days of the Issuer’s fiscal year-end.

Instructions for electronic submission of the documents through GMEP are available in Appendix VI-20 of the Ginnie Mae Mortgage-Backed Securities Guide. [https://ginniemae.gov/issuers/program_guidelines/MBSGuideAppendicesLib/Appendix_VI-20.pdf](https://ginniemae.gov/issuers/program_guidelines/MBSGuideAppendicesLib/Appendix_VI-20.pdf)

Documents must be in PDF format. Detailed instructions for File Naming are provided in Appendix VI-20.

GMEP FILE UPLOAD Function is used to upload the documents. Select the “IPA Files” radio button on the File Upload Menu Page.
FILE UPLOAD VIA GMEP
LOAN REPORTING SCENARIOS

1. Loan Substitution (defective loan) Procedure; and reporting in RFS

2. Loan Purpose 3 or 4 Previously Modified Loan Reporting To GinnieNET; to RFS

3. New Pool Data Quality
LOAN SUBSTITUTIONS

- MBS Guide **Chapter 14-8 (D) Defective Loans**
- Loan may be substituted (with Ginnie Mae approval) if identified as defective **within four months of issue date of pool**
- Replacement loan must **satisfy all pool eligibility requirements**
- Issuer must **submit substitution request** to GinnieMaeBuyout@HUD.gov in accordance with the Form Letter for Loan Repurchase (Appendix VI-2)
- Once approval has been granted, Issuer must **complete substitution form with loan data**
- **Unique Loan ID** will be generated for the substitution **on/after the 25th of the month**
- **Defective loan should be removed** (liquidated) from RFS using **removal code 5 – Substitution**
## Reporting Instructions for Loan Purpose 3, 4 (modified loans)

<table>
<thead>
<tr>
<th>RFS Reference Appendix VI-19</th>
<th>GinnieNET Reference File Layouts “M” Records</th>
<th>Data Item Name</th>
<th>GinnieNET “M record Instruction” for Pool Issuance</th>
<th>RFS “L” Record Instruction for monthly reporting</th>
<th>Description of Data Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field 7</td>
<td>M2 Field 2</td>
<td>First Payment Date*</td>
<td>Report the first scheduled payment of the re-amortized loan</td>
<td>Report the first payment date of the re-amortized loan; the same date reported to GinnieNET</td>
<td>“The date in which the first monthly installment payment was due in accordance with the mortgage/note.”</td>
</tr>
<tr>
<td>Field 8</td>
<td>M2 Field 3</td>
<td>Loan Maturity Date**</td>
<td>Report the loan maturity date of the re-amortized loan</td>
<td>Report the maturity date of the re-amortized loan; the same date reported to GinnieNET</td>
<td>“The maturity date of this loan in accordance with the mortgage/note.”</td>
</tr>
<tr>
<td>Field 9</td>
<td>M1 Field 10</td>
<td>Loan Interest Rate</td>
<td>Report the loan interest rate of the re-amortized loan</td>
<td>Report the loan interest rate of the re-amortized loan; the same date reported to GinnieNET</td>
<td>“The interest rate of the loan.”</td>
</tr>
<tr>
<td>Field 10</td>
<td>M1 Field 12</td>
<td>Loan OPB***</td>
<td>Report the OPB of the re-amortized loan (OPB for the modified loan, not the original OPB)</td>
<td>Report the ORIGINAL OPB of the loan per the “original” note; not the modified OPB</td>
<td>“Original Principal Balance, the dollar amount of the original loan principal balance as stated on the mortgage note.”</td>
</tr>
<tr>
<td>Field 11</td>
<td>M1 Field 11</td>
<td>Loan FIC (Loan P&amp;I)</td>
<td>Report the monthly FIC (principal and interest) of the re-amortized loan</td>
<td>Report the monthly FIC (principal and interest) of the re-amortized loan; the same date reported to GinnieNET</td>
<td>“The current fixed installment constant of principal and interest payment for this loan”</td>
</tr>
</tbody>
</table>

---

### Some Issuers change the data reported to GinnieNET for Pool Issuance:

*Some issuers change the Date back to the “Original” First Payment Date for RFS reporting. Do not change it.

**Some issuers change the Maturity Date back to the “Original” Maturity Date for RFS reporting. Do not change it. (It is not used in matching for Loan Purpose 3,4)

***For RFS reporting, Issuers must “change” the (modified) OPB that was reported to GinnieNET back to the Original OPB which is to be reported to RFS (OPB per the “original” note for RFS reporting). This is required for Loan Matching.
Ginnie Mae is requesting verification of loan data reported to GinnieNET on new pool issuances. Notice is posted in E-Notification on the 8th Business Day.

Follow the instructions on file and send response to: GinnieMaeDataQuality@deloitte.com

If you have any questions, please contact the Data Quality team at: 240-403-4199 x315.
### BEST PRACTICES

<table>
<thead>
<tr>
<th>100% of Pool and Loan data reported by 2nd Business Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>All E and C level alerts related to the Pool and Loan record must be cleared no later than 7:00 pm (EST) on the 4th Business Day</td>
</tr>
<tr>
<td>Consistency of data reported in RFS</td>
</tr>
<tr>
<td>Case number reported on Loan File should match case number reported at Origination</td>
</tr>
<tr>
<td>Issuers are fully responsible for meeting reporting timelines and accuracy of data reported by a sub-servicer</td>
</tr>
<tr>
<td>Adhering to established Cut-off date</td>
</tr>
<tr>
<td>Ensure the correct liquidation removal reason code is reported</td>
</tr>
<tr>
<td>Analyze and correct RFS edit exceptions per Severity Level requirements</td>
</tr>
<tr>
<td>Review E-Notification daily</td>
</tr>
</tbody>
</table>
ACTIVITY

Polling Questions:

1. Which screen do you use to complete the Monthly Report Certification?
   a) RFS Monthly Summary
   b) Pool Activity Screen
   c) WHFIT Screen
   d) Annual Financial Documents screen

2. When are Annual Financial Documents due?
   a) Yearly
   b) Quarterly
   c) 6 months after fiscal year-end
   d) 90 days after fiscal year-end

3. When does an issuer receive notice on Terminated loans?
   a) 3rd business day
   b) 7th business day
   c) 10th business day
Please return to complete the second half of today’s session after a 10-minute break.
Cash and Reconciliations
OBJECTIVES: CASH AND RECONCILIATIONS

Module Objectives

CASH
- Describe how to report Cash on Hand in the appropriate bank account
- Describe how to update Master Agreements

RECONCILIATION
- Explain how and when to submit Custodial Account Verification
- Explain the reconciling requirements (outside of RFS)
- Explain Pool to security and test of cash process

What tasks should an Issuer be able to complete after training?
What new information will Issuers be exposed to?
THE RECONCILING TRIANGLE

Reports to Ginnie Mae

Reconciliation of Cash in P&I and T&I Accounts

Internal Service Records

Bank Account Statements
Ginnie Mae Monthly Reporting

Chapter 16 Custodial Accounts

Program Knowledge

Reconciliations

Tests

Internal Controls

Keys to Quality Reporting:
CASH MANAGEMENT

Ginnie Mae’s Access to Draft Funds
Custodial Account Requirements
P&I Shortfalls
Test of Expected P&I
Reconciliation of Mortgage Collateral to Securities Outstanding
Bank Reconciliation
Miscellaneous
GINNIE MAE ACCESS TO CUSTODIAL ACCOUNTS

Important that all Ginnie Mae Issuers ensure that they do not have restrictions in place that would impact Ginnie Mae's ability to draft funds from the central P&I custodial accounts on the 15th and 20th calendar day of each month.

- Ensure the financial institution has not placed ACH debit block
- Issuer also have in place a process for communicating with Ginnie Mae and its Central Paying and Transfer Agent, currently the Bank of New York Mellon, if any issues arise or are identified.
- This includes available funds for Guaranty Fee draft.
- 1 business day prior to draft, confirm account is fully funded and there are not any holds or system limitations.
- Day of scheduled collection, confirm funds have been swept from designated account. If draft has not occurred, contact the custodial bank directly for inquiries and also provide its Ginnie Mae Account Executive the plan enacted to remedy the collection failure.
COLLECTIONS CLEARING ACCOUNT

- **Optional**
- **Used for Ginnie Mae and non-Ginnie Mae funds**
- **Transfer to P&I and T&I accounts within 1 business day**

- Recover Corporate Advances provided excess funds restored to Custodial Account
- Zero Balance Account
P&I CUSTODIAL BANK ACCOUNT REQUIREMENTS

1. Ginnie Mae funds only
2. Single non-interest bearing Custodial Account
3. May contain funds for more than one pool
4. Form HUD 11709 must exist for each account
5. Maintained at financial institution capable of ACH
6. Bank reconciliation completed timely
7. Meet bank rating requirements
# P&I DISBURSEMENT ACCOUNT REQUIREMENTS

<table>
<thead>
<tr>
<th></th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>May use separate disbursement account</td>
</tr>
<tr>
<td>2</td>
<td>Non-interest bearing account</td>
</tr>
<tr>
<td>3</td>
<td>Zero balance account</td>
</tr>
<tr>
<td>4</td>
<td>Maintained at financial institution capable of ACH</td>
</tr>
<tr>
<td>5</td>
<td>Ginnie Mae Funds only</td>
</tr>
<tr>
<td>6</td>
<td>Only one Ginnie Mae Issuer ID# per account</td>
</tr>
<tr>
<td>7</td>
<td>Form HUD 11709 must exist for each account</td>
</tr>
</tbody>
</table>
CAV – Custodial Account Verification

Not Required If:

- Aggregate principal and interest payments (FIC) due from borrowers is less than $100,000 in any one month as measured by the fixed installment which is reported in the RFS Issuer Report of Pool Data (Appendix VI-19).

Institution servicing as funds custodian must meet the following requirements:

1. **The Insured Accounts Requirement**: the institution must have accounts that are insured by the FDIC or the National Credit Union Share Insurance Fund (NCUSIF)

2. **The Regulator Rating Requirement**: the institution must be rated as “well capitalized” by its federal or state regulator
Agency Rating Requirement: The institution must have a rating that meets at least one of the following criteria:

- Institutions servicing as funds custodian with assets of $30 billion or more either:
  - Short-term issuer rating by S&P of “A-3” (or better). If above not available, Long term issuer rating of “BBB-” (or better) by S&P; or
  - Short-term bank deposit rating by Moody’s of “P-3” (or better). If not available, long term bank deposit rating of “Baa3” (or better) by Moody’s.

- Institutions with assets less than $30 billion:
  - 125 (or better) by IDC, or
  - C+ (or better) by Kroll

Due between the 6th and the 15th business day of March, June, September and December.
<table>
<thead>
<tr>
<th></th>
<th>T&amp;I CUSTODIAL BANK ACCOUNT REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Account may be interest bearing</td>
</tr>
<tr>
<td>2</td>
<td>Funds may only be used by the Issuer to pay charges due and payable by the mortgager.</td>
</tr>
<tr>
<td>3</td>
<td>Ginnie Mae funds only</td>
</tr>
<tr>
<td>4</td>
<td>Form HUD 11720 must exist for each account</td>
</tr>
<tr>
<td>5</td>
<td>Bank reconciliation completed timely</td>
</tr>
<tr>
<td>6</td>
<td>Separate escrow custodial account for FHA section 203(k) funds</td>
</tr>
<tr>
<td>7</td>
<td>Separate escrow custodial account for buydown funds</td>
</tr>
<tr>
<td>8</td>
<td>Separate escrow custodial account for any other funds are required to be held pursuant to FHA, VA, RD, or PIH requirements</td>
</tr>
</tbody>
</table>
P&I COLLECTION SHORTFALLS

TEMPORARY SHORTFALLS:

Late Payments from Mortgager

Non-Sufficient Funds Check

Incorrect Advance Calculation
NON-RECOVERABLE CORPORATE ADVANCES

PERMANENT SHORTFALLS:

- **Servicemembers Civil Relief Act**
- **Curtailment Adjustments**
- **Loan Payoffs if per diem interest is collected**
- **Foreclosure Liquidations**
- **T&I Shortfalls**
**Due Dates for Security Holder Payments:**

**Ginnie Mae I Pools**
- Checks (received no later than **15th calendar day**)
- Electronic Transfer (**15th calendar day**)
- Book-Entry Securities (prior to **7am EST 15th calendar day**)

**Ginnie Mae II Pools**
- Certificated Securities (prior to **7am EST 19th calendar day**)
- Book-Entry Securities (prior to **7am EST 20th calendar day**)
METHODS OF FUNDING P&I SHORTFALLS

- **Corporate Advances**
  - User Issuer Funds

- **Excess Funds**
  - Minimize Use of Issuer Funds
  - Excess funds are defined as:
    - Unscheduled recoveries of principal on pooled mortgages received during the current month that are to be passed through with the following month’s payment
    - Early receipt of scheduled payments

- **Pool Advance Agreement**
  - Uses Bank Funds
  - Appendix VI-1 Pool Advance Agreement must be completed
## TEST OF EXPECTED P&I

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="check.png" alt="check" /></td>
<td>Required on every pool</td>
</tr>
<tr>
<td><img src="person.png" alt="person" /></td>
<td>Performed by the Issuer</td>
</tr>
<tr>
<td><img src="dollar.png" alt="dollar" /></td>
<td>Provides Minimum Dollar Amount in P&amp;I Account</td>
</tr>
<tr>
<td><img src="piggy_bank.png" alt="piggy_bank" /></td>
<td>Total of all pool Cash Shortages Funded by the Issuer</td>
</tr>
<tr>
<td><img src="umbrella.png" alt="umbrella" /></td>
<td>May not net pools that have Cash Overages with pools that have Cash Shortages</td>
</tr>
</tbody>
</table>
### TEST OF EXPECTED P&I CUSTODIAL ACCOUNT BALANCE AT CUTOFF

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>POOL NUMBER: _________ Reporting Month: _________</td>
<td></td>
</tr>
<tr>
<td>+ Prepaid Principal and Interest (Sum of L-Record Fields 16 and 17 for each prepaid loan in the pool)</td>
<td>$</td>
</tr>
<tr>
<td>+ Additional Principal Payments (Sum of L-Record Field 20 for each loan in the pool)</td>
<td>$</td>
</tr>
<tr>
<td>+ Additional Principal Adjustment (Sum of L-Record Field 21 curtailment adjustments for each current loan in the pool)</td>
<td>$</td>
</tr>
<tr>
<td>+ Liquidation Principal (Sum of L-Record Field 28 for each liquidated loan in the pool prior to its liquidation)</td>
<td>$</td>
</tr>
<tr>
<td>+ Delinquent Service Fee (Sum of L-Record Field 14 for each delinquent loan in the pool multiplied by the service fee rate divided by the mortgage interest rate)</td>
<td>$</td>
</tr>
<tr>
<td>+ Service Fee (P-Record Field 5: Enter only if taken after cutoff date)</td>
<td>$</td>
</tr>
<tr>
<td>+ Fixed Installment on Liquidation (Sum of L-Record Field 11 for each liquidated loan in the pool)</td>
<td>$</td>
</tr>
<tr>
<td>- Delinquent Principal and Interest (Sum of L-Record Fields 14 and 15 for each delinquent loan in the pool)</td>
<td>$</td>
</tr>
<tr>
<td>- Prepaid Service Fee (Sum of L-Record Field 16 for each prepaid loan in the pool multiplied by the service fee rate divided by the mortgage interest rate)</td>
<td>$</td>
</tr>
<tr>
<td>- Service Fee from Liquidations (Sum of L-Record Field 20 for each liquidated loan in the pool multiplied by the service fee rate divided by the mortgage interest rate, based on last interest installment on Monthly Liquidation Worksheet)</td>
<td>$</td>
</tr>
<tr>
<td>= Subtotal (Expected P&amp;I Balance)</td>
<td>$</td>
</tr>
<tr>
<td>- Reported P&amp;I Balance (Field 12 of P-Record for pool)</td>
<td>$</td>
</tr>
<tr>
<td>= Difference: Over/Short</td>
<td>$</td>
</tr>
</tbody>
</table>
## RECONCILIATION OF MORTGAGE COLLATERAL TO SECURITIES OUTSTANDING

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required on every pool</td>
<td>Required on every pool</td>
</tr>
<tr>
<td>Performed by the Issuer</td>
<td>Performed by the Issuer</td>
</tr>
<tr>
<td>Pool of Loans is Collateral for Securities</td>
<td>Pool of Loans is Collateral for Securities</td>
</tr>
<tr>
<td>• Over-collateralization</td>
<td>Over-collateralization – adjusted pool principal balance is larger than the securities balance</td>
</tr>
<tr>
<td>• Recover principal</td>
<td>– recover principal</td>
</tr>
<tr>
<td>• Under-collateralization</td>
<td>Under-collateralization – adjusted pool principal balance is less than the securities balance</td>
</tr>
<tr>
<td>• Remit principal</td>
<td>– remit principal</td>
</tr>
<tr>
<td>Tolerance for Under Collateralized Pools</td>
<td>Tolerance for Under Collateralized Pools</td>
</tr>
<tr>
<td>• $1.00 per loan per pool</td>
<td>• $1.00 per loan per pool</td>
</tr>
<tr>
<td>• Maximum of $50.00 per pool</td>
<td>• Maximum of $50.00 per pool</td>
</tr>
<tr>
<td>Recoveries for Over Collateralized pools</td>
<td>Recoveries for Over Collateralized pools</td>
</tr>
<tr>
<td>• Unscheduled recoveries of principal up to the</td>
<td>• Unscheduled recoveries of principal up to the amount of the over collateralization</td>
</tr>
<tr>
<td>amount of the over collateralization</td>
<td>• Up to $100.00 per pool if no unscheduled recoveries of principal and total over</td>
</tr>
<tr>
<td>• Total over collateralization does not exceed</td>
<td>collateralization does not exceed $100.00</td>
</tr>
<tr>
<td>$100.00</td>
<td></td>
</tr>
</tbody>
</table>
### RECONCILIATION OF MORGAGE COLLATERAL TO SECURITIES OUTSTANDING

<table>
<thead>
<tr>
<th>POOL NUMBER:</th>
<th>REPORTING MONTH:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Month end pool principal balance (Sum of Fields 23 on L-Records in the pool except liquidated loans)</td>
<td>$</td>
</tr>
<tr>
<td>- Prepaid installment principal (Sum of Fields 17 on all L-Records in the pool)</td>
<td>$</td>
</tr>
<tr>
<td>- Delinquent installment principal (Sum of Fields 15 on all L-Records in the pool)</td>
<td>$</td>
</tr>
<tr>
<td>- CD Pools Only: Scheduled Principal (Enter amount from Section 2.A. of Issuer’s Monthly Reconciliation of Pool and Loan Data Worksheet)</td>
<td>$</td>
</tr>
<tr>
<td>- CD Pools Only: Liquidation Principal Installment (Enter principal portion of last installment reported on Issuer’s Monthly Liquidation Reconciliation Worksheet)</td>
<td>$</td>
</tr>
<tr>
<td>- CD Pools Only: Additional Principal Adjustments or FIC charge on GPM (Enter amount from Section 2.D. of Issuer’s Monthly Reconciliation of Pool and Loan Data Worksheet)</td>
<td>$</td>
</tr>
<tr>
<td>- Adjusted Pool Principal Balance</td>
<td>$</td>
</tr>
<tr>
<td>- Securities Principal Balance (Amount in Field 10 on the P-Record as entered by Issuer)</td>
<td>$</td>
</tr>
<tr>
<td>- Difference: Over / Short</td>
<td>$</td>
</tr>
</tbody>
</table>
P&I Reconciliation
Sample Format

Bank statement balance at cutoff date of _____________ $_______________
Deposits in transit (total): +_______________
Outstanding checks (total): - ______________
Adjustments (Explanation required): - ______________
SUBTOTAL (Adjusted bank balance): = ______________
LESS Reported P&I and Other Funds (Sum of Fields 12 and 13 on the Pool Record as entered by Issuer)
Unreconciled difference (explain): = ______________

Explanation for “Adjustments” noted above:

Deposits in transit over thirty (30) days (date and amount):

Checks outstanding over thirty (30) days (date and amount):

Preparer: _______________ Date: __________
Reviewer: _______________ Date: __________
Bank account reconciliations must be completed within **30 days** of the Issuer’s monthly reporting cut-off date for all accounts.

Detail must be available that list the P&I cash book balance for each pool/loan package that uses the custodial bank account as of issuer’s monthly cutoff.

- Balance at the end of the previous reporting month, plus the daily deposits related to the pool, minus disbursements for the pool, which equal the ending balance. This is known as Cash Flow Method.
  - This balance is reported on the Pool Record, Field 12 P&I Fund Balance.

All adjusting items on a reconciliation must be completely resolved during one of the next two reporting cycles.
T&I Reconciliation
GINNIE MAE T&I ACCOUNT RECONCILIATION

Sample Format

Bank statement balance at
cutoff date of _______________  $________________

Deposits in transit (total): +________________

Outstanding checks (total): -________________

Adjustments (Explanation required): -________________

SUBTOTAL (Adjusted bank balance): =________________

LESS Reported T&I Funds (Field 11
on the Pool Record as entered by Issuer
Unreconciled difference (explain): =________________

Explanation for “Adjustments” noted above:

Deposits in transit over thirty (30) days (date and amount):

Checks outstanding over thirty (30) days (date and amount):

Preparer: ____________________  Date: ____________

Reviewer: ____________________  Date: ____________
Ginnie Mae T&I Account Reconciliation

- Bank account reconciliations must be completed within **30 days** of the Issuer’s monthly reporting cut-off date for all accounts.

- Funds that are required to be deposited in an escrow custodial account must be deposited within two (2) business days of the pool settlement date (APM 15-06).
  - The escrow balance for individual loans is reported on the Loan Record, Field 29 Loan T&I Balance.
  - The escrow balance for ALL loans in the pool is reported on the Pool Record, Field 11 T&I Escrow Balance.

- All adjusting items on a reconciliation must be completely resolved during one of the next two reporting cycles.
SF POOL ACTIVITY SCREEN
### Exception Feedback

**Issuer Summary**

**Report Period:**
- Issuer ID: [Dropdown]
- Report Period: 12/2016

### Summary for Issuer ID

<table>
<thead>
<tr>
<th>Last File Submission Date</th>
<th>Last Pool Summarization Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/04/2017 11:20</td>
<td>01/20/2017 22:05</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pool Exceptions</th>
<th>Loan Exceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reported Loans</th>
<th>Expected Loans</th>
<th>Liquidated Loans</th>
<th>Delinquent Loans</th>
<th>Delinquent Loans Percentage</th>
<th>1 Month Delinquent</th>
<th>2 Months Delinquent</th>
<th>3+ Months Delinquent</th>
<th>Foreclosure</th>
<th>DQ2+</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>806</td>
<td>806</td>
<td>8</td>
<td>36</td>
<td>4.1958</td>
<td>26</td>
<td>6</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>II</td>
<td>1,435</td>
<td>1,435</td>
<td>10</td>
<td>59</td>
<td>4.1404</td>
<td>46</td>
<td>8</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>2,301</td>
<td>2,301</td>
<td>18</td>
<td>95</td>
<td>4.1812</td>
<td>72</td>
<td>14</td>
<td>9</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reported Pools</th>
<th>Expected Pools</th>
<th>T &amp; I Funds</th>
<th>Other Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>235</td>
<td>235</td>
<td>$930,477.71</td>
</tr>
<tr>
<td>II</td>
<td>195</td>
<td>195</td>
<td>$1,595,590.30</td>
</tr>
<tr>
<td>Total</td>
<td>430</td>
<td>430</td>
<td>$2,526,066.01</td>
</tr>
</tbody>
</table>

### Monthly Reporting Certification / Reported 11710D Data

**Guaranty Fee**
- $3,055.17

**Fixed Installment Unpaid Pool Principal Balance**
- $483,814.49

**Security Remaining Principal Balance**
- $83,348,734.30

**Principal Due to Holders**
- $269,273.13

**Interest Due to Holders**
- $568,347.73

---

**Ginnie Mae**

**Our Guaranty Matters**

Single Family Issuer Training 70
Polling Questions:

4. What is the time limit to complete Bank Reconciliation?
   a) 20 days from remittance
   b) 30 days from cutoff
   c) 60 days from month-end

5. When is an issuer required to submit Custodial Account Verification?
   a) Every month
   b) When the back has $100,000 in deposits
   c) When the FIC equals $100,000 or more

6. What is the purpose of the Pool to Security Recon (Reconciliation of Mortgage Collateral to Security Outstanding)?
   a) I do not know
   b) Notifies issuers of collateral to security discrepancies
   c) Notifies issuers to fund the bank account
Appendix A: Forms and Calculations
Instructions and calculations for Pool Reporting are explained in:

Appendix VI-04 Issuer’s Monthly Accounting Report

Appendix Includes:

- Form HUD11710A Monthly Accounting Report
  https://ginniemae.gov/issuers/program_guidelines/MBSGuideAppendicesLib/Appendix_VI-04.pdf

- Form HUD 11710E Liquidation Schedule
  https://www.ginniemae.gov/issuers/program_guidelines/FormsLibrary/HUD-11710-E.pdf
QUESTIONS & ANSWERS

Link to Single Family Presentation, Workflow Document, Appendix VI-19 and Manually Hard Coding Loans
https://www.ginniemae.gov/issuers/issuer_training/Pages/ToolsAndResources.aspx

christy.christensen@vdevcorp.com
gail.smith@vdevcorp.com
steve.audi@vdevcorp.com
PARTICIPANT FEEDBACK

This training has been designed to orient new employees to Ginnie Mae’s business processes and the systems used to manage those processes. In rating this event, please consider how effective you believe this course to be for someone at an introductory level. Thank you.