

Appendix VI-20

Audit Schedules Report

Annual Audited Financial Schedules for Adjusted Net Worth, Capital, and Liquidity

OMB Approval No. XXXX-XXXX (Exp. XX/XX/XXXX)

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Ginnie Mae is authorized to collect this information pursuant to Section 306(g) of the National Housing Act and/or by Ginnie Mae's Handbook 5500.3, Rev. 1. The purpose of this collection is to enable Ginnie Mae to determine Issuer compliance with financial requirements. The information collected will not be disclosed outside the Department except as required by law.

Computation of Adjusted Net Worth

Adjusted Net Worth

Equity	
Less Unacceptable Assets:	
Category 1 - Any asset or portion thereof pledged to secure obligations of another entity or any person. Supervised institutions that provide financial services to incorporated communities are sometimes required by State law to pledge their assets for the benefit of the community. These pledged assets are acceptable for supervised institutions only.	
Category 2 - An asset due from an officer or stockholder of the lender or from a related entity, except for <ul style="list-style-type: none"> a. A construction loan receivable secured by a first mortgage from a related entity. b. A mortgage loan receivable established in the normal course of business in an arm's-length transaction and secured by a first mortgage on the related property. c. A receivable from a related party when the affected parties have executed a cross-default agreement¹ or corporate guarantee agreement² with Ginnie Mae. 	
Category 3 - An investment in a related entity in which any officer or stockholder of the lender has a personal interest ⁷ unrelated to that person's position as an officer or stockholder of the lender.	
Category 4 - That portion of an investment in a joint venture, subsidiary, affiliate, or other related entity, which is greater than equity as adjusted. "Equity as adjusted" means the book value of the related entity reduced by the amount of unacceptable assets carried by the related entity.	
Category 5 - Any intangible asset, including but not limited to goodwill, covenants not to compete, franchise fees, organization costs, software, value placed on insurance renewals, and value placed on property management contract renewals.	
Category 6 - The value of any servicing contract not determined in accordance with Statement of Financial Accounting Standards (SFAS) No. 65, "Accounting for Certain Mortgage Banking Activities," and SFAS No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," or their revisions.	
Category 7 - Any asset not readily marketable and for which appraised values are very subjective. Examples include but are not limited to antiques, artwork, and gemstones.	
Category 8 - That portion of any marketable security (listed or unlisted) in excess of the lower of cost or market.	
Category 9 - Any amount in excess of the lower of cost or market value of mortgages in foreclosure, construction loans, or property acquired through foreclosure.	
Category 10 - Any asset that is principally used ³ for the personal enjoyment or benefit of an officer, director, or stockholder and not for normal business purposes. This includes motor vehicles and personal residences.	

¹ A cross-default agreement is an agreement between related affiliated Ginnie Mae Issuers, which provides for the default of all affiliated Issuers in the event of a default by any one of them.

² A corporate guaranty agreement is an agreement in which the Issuer's parent guarantees the performance of the Issuer.

³ "Principally used" means that any other use of the property must be solely incidental.

Category 11 - "Other assets" ⁴ unless the financial statements are accompanied by a schedule prepared by the auditor, or a schedule prepared by the Issuer-lender and signed by an officer of the Issuer-lender.	
Category 12 - That portion of contributed property, not otherwise excluded, in excess of the value as of the date of contribution determined by an independent appraisal.	
Category 13 - Net deferred tax assets ⁵	
Total Unacceptable Assets	
Adjusted Net Worth	

Required Net Worth

Single-family Issuer Requirement

Category	Amount	Required Percentage	Required Amount
Base Requirement			\$2,500,000
Total effective Ginnie Mae single-family outstanding obligations ⁶		0.35%	
Total Government Sponsored Enterprise single-family outstanding servicing portfolio		0.25%	
Total non-agency single-family outstanding servicing portfolio		0.25%	
Required Net Worth (Single-family)			

Multifamily Issuer Requirement

Total effective Multifamily outstanding obligation (MfOO) ⁷			
Category	Amount	Required Percentage	Required Amount
Base Requirement			\$1,000,000
MfOO greater than \$25M & less than or equal to \$175M		1.00%	
MfOO greater than \$175M		0.20%	
Required Net Worth (Multifamily)			

HMBS Issuer Requirement

Total effective HMBS outstanding obligation (HOO) ⁸			
Category	Amount	Required Percentage	Required Amount
Base Requirement			\$5,000,000
HOO		1.00%	
Required Net Worth (HMBS)			

⁴ When a schedule of other assets is not provided, the entire balance of other assets should be included as unacceptable assets. This includes any balances that are combined and inseparable from other assets on the financial statements (e.g. If "Prepays and other assets" is presented on the balance sheet without a separate schedule or footnote detailing the other assets balance, the entire *Prepays and other assets* balance is considered unallowable under category 11).

⁵ Issuers may net deferred tax assets and deferred tax liabilities, considering only net deferred tax assets to be unacceptable assets.

⁶ The total effective Ginnie Mae single-family outstanding obligation is the sum of a) all single-family Ginnie Mae securities outstanding, b) available commitment authority to issue new single-family pools, and c) total single-family pools funded.

⁷ The total effective Multifamily outstanding obligation is the sum of 1) all Multifamily securities outstanding, 2) available commitment authority to issue new Multifamily pools, and 3) unexpended Multifamily construction draws.

⁸ The total effective HMBS outstanding obligation is the sum of 1) all HMBS securities outstanding, 2) available commitment authority to issue new HMBS pools, and 3) total HMBS pools funded.

Manufactured Housing (MH) Issuer Requirement

Total effective Manufactured Housing outstanding obligation (MhOO) ⁹			
Category	Amount	Required Percentage	Required Amount
Base Requirement			\$2,500,000
MhOO		2.5%	
Required Net Worth (Manufactured Housing)			

Multi-program Issuer Requirement¹⁰

Program	Required Net Worth
Single-family	
Multifamily	
HMBS	
Manufactured Housing	
Total	
Adjusted Net Worth	

Compliant with Ginnie Mae Requirement? Yes No

⁹ The total effective MH outstanding obligation is the sum of a) all MH securities outstanding, b) available commitment authority to issue new MH pools, and c) total MH pools funded.

¹⁰ Issuers approved to participate in more than one program type (Single-family, Multifamily, Manufactured Housing, and HMBS) will be required to meet a minimum adjusted net worth equal to or greater than the sum of the minimum net worth requirements for all program types in which the Issuer is approved to participate.

Computation of Capital

Regulated¹¹ Issuers (Non-Credit Unions)

Issuers that fall within this category must meet all regulatory capital requirements to be considered at least “well-capitalized” or its equivalent. If none of the ratios below are required by the applicable regulatory agency(ies), the Issuer should at minimum provide its *Leverage Ratio* as required by Ginnie Mae for *Other Issuers* (see below).

Ratios	Percentage	Regulator Well-Capitalized Threshold %	Well-Capitalized? (X=Yes, Blank=No)
Tier 1 Leverage Ratio			
Common Equity Tier 1 Risk-Based Capital Ratio			
Tier 1 Risk-Based Capital Ratio			
Total Risk-Based Capital Ratio			

Compliant with Ginnie Mae Requirement? Yes No

Regulated¹² Issuers (Credit Unions)

Issuers that fall within this category must meet all regulatory capital requirements to be considered at least “well-capitalized” or its equivalent.

Are you a Complex Credit Union?	Amount/Percentage	Well-Capitalized? (X=Yes, Blank=No)
If Yes,		
• Net Worth		
• Total Assets		
• Net Worth Ratio		
If No,		
• Total Risk Based Capital Numerator		
• Risk-weighted Assets		
• Risk Based Capital Ratio		

Compliant with NCUA Well-Capitalized Requirement? Yes No

US State or Territory

Issuers that are instrumentalities of a US state or territory, including but not limited to State Housing Finance Authorities or Agencies, are not subject to institution-wide capital requirements.

¹¹ Issuers that are subject to federal regulation by the Board of Governors of the Federal Reserve System (the Fed), FDIC, OCC, or to regulation by the Federal Housing Finance Agency or (FHFA). Issuers in this category include but are not limited to bank holding companies (BHCs), banks, wholly owned subsidiaries of BHCs that are consolidated for purposes of regulatory oversight, thrifts, savings and loan holding companies, and credit unions. Non-depository mortgage companies are generally not included in this category.

¹² Issuers that are subject to NCUA insurance regulation and/or respective state’s Department of Financial Institutions.

Other Issuers¹³

Leverage Ratio

The Leverage Ratio is required for all other Issuers. There are additional single-family and manufactured home Issuer requirements *in addition to* the Leverage Ratio which must be completed below.

Category	Amount
Adjusted Net Worth	
Total Assets	
GMLERs ¹⁴	
Total Assets less GMLERs	
Leverage Ratio ¹⁵	

Compliant with Ginnie Mae Requirement? Yes No

Single-Family (SF) Issuer Requirement¹⁶

SF RBCR¹⁷

Category	Amount
Adjusted Net Worth	
Less: Excess MSR	
Adjusted Net Worth – Excess MSR	
Total Risk Based Assets	
SF Risk Based Capital Ratio	

Includes MSR Value Adjustment?¹⁸ Yes No

Compliant with Ginnie Mae Requirement? Yes No

¹³ Issuers not covered under the *Regulated Issuers* or *US State or Territory* sections above must maintain a Leverage Ratio of at least 6%.

¹⁴ GMLERs are delinquent loans that are eligible to be bought out of a pool but that have not yet been bought out, consistent with MBS Guide Chapter 18, Part 3 § B (1). GMLERs are not applicable to the HMBS program.

¹⁵ For purposes of this section, Leverage Ratio is defined as (i) Total Adjusted Net Worth (as defined by Ginnie Mae) divided by the Issuer’s Total Assets. For purposes of this requirement, Total Assets do not include Ginnie Mae Loans Eligible for Repurchase (GMLERs).

¹⁶ Effective December 31, 2024, Issuers that are not covered by the requirements for financial institutions in the MBS Guide Chapter 2, Part 9, § B(2)(a) and (b), and SF Issuers that are not covered by the requirements for financial institutions in the MBS Guide Chapter 3, Part 8, § A(3)(a) and (b) must maintain a Risk-Based Capital Ratio (“RBCR”) of at least 6% in addition to continuing to maintain a Leverage Ratio of at least 6%.

¹⁷ The Single-family RBCR is defined as Adjusted Net Worth (as defined by Ginnie Mae) less Excess Mortgage Servicing Rights (“MSRs”) (MSRs in excess of an SF Issuer’s Net Worth) divided by total Risk-Based Assets (as defined in Chapter 3, Part 8, § A(3)(c) of the MBS Guide).

¹⁸ The MSR Value Adjustment is an average of an Issuer’s quarterly Hedging Efficacy results, please see Chapter 3, Part 8 § A(3)(f) of the MBS Guide for the full calculation. Hedging Efficacy is the proportion of gains (or losses) on derivatives used to hedge MSRs relative to the changes in MSR value due to market and model changes, as defined in the MBFRF.

Manufactured Home (MH) Issuer Requirement¹⁹

MH RBCR²⁰

Category	Amount
Adjusted Net Worth	
Total Risk Based Assets	
MH Risk Based Capital Ratio	

Compliant with Ginnie Mae Requirement? Yes No

¹⁹ MH Issuers that are not covered by the requirements for financial institutions in the MBS Guide Chapter 3, Part 8, § D(3)(a) and (b) must maintain a Risk-Based Capital Ratio ("RBCR") of at least 6% in addition to continuing to maintain a Leverage Ratio of at least 6%.

²⁰ The Manufactured Housing RBCR is defined as Adjusted Net Worth (as defined by Ginnie Mae) divided by Total Risk-based Assets.

Computation of Liquid Assets

Single-family Issuer Requirement

Liquid Assets

Liquid Assets	Amount
Cash (FAS95)	
Cash equivalents (FAS95)	
AAA rated government securities marked-to-market (M2M) (FAS95)	
Government Sponsored Entity (GSE) MBS M2M	
GSE obligations M2M	
Advances ²¹	
Total Liquid Assets	

Required Liquid Assets

Greater of			
Minimum Requirement			\$1,000,000
- Or -			
Sum of:			
Category	Base Amount	Required Percentage	Required Amount
Outstanding Ginnie Mae single-family servicing unpaid principal balance (UPB)		0.100%	
Outstanding GSE single-family servicing UPB, <i>if the Issuer remits (or the Enterprise draws) the principal and interest only as actually collected from the borrower.</i>		0.035%	
Outstanding GSE single-family servicing UPB, <i>if the Issuer remits (or the Enterprise draws) the principal or interest, or both, as scheduled, regardless of whether principal or interest has been collected from the borrower.</i>		0.070%	
Outstanding non-agency single-family servicing UPB.		0.035%	
Additional requirement for single-family Issuers that originated more than \$1,000,000,000 in UPB of any residential first mortgages, regardless of channel (including retail, wholesale correspondent, and wholesale broker) in the most recent four-quarter period			
Loans held-for-sale		0.500%	
UPB of interest rate lock commitments (IRLC) after fallout adjustments ²² .		0.500%	
Total			

²¹ Advances allowable per the Ginnie Mae MBS Guide, Chapter 3, include the following advances made as reflected in total assets reported on the balance sheet 1) Advances made to cover principal and interest payments 2) Advances made to cover taxes and insurance payments, and HMBS program applicants 3) Foreclosure advances relating to loans serviced on behalf of mortgagors and investors.

²² UPB of IRLCs after fallout adjustments is UPB of IRLCs after making adjustments for estimated fallout (i.e., excluding part of the balance because some locks are not expected to close).

Compliant with Ginnie Mae Requirement? Yes No

Manufactured Home (MH) Issuer Requirement

Liquid Assets

Liquid Assets	Amount
Cash (FAS95)	
Cash equivalents (FAS95)	
AAA rated government securities marked-to-market (M2M)	
Total Liquid Assets	

Required Liquid Assets

Greater of			
Minimum Requirement			\$1,000,000
- Or -			
Category	Base Amount	Required Percentage	Required Amount
MH outstanding obligation (MhOO) ²³		0.500%	
Total			

Compliant with Ginnie Mae Requirement? Yes No

Multifamily (MF) and HMBS Issuer Requirement

Liquid Assets

Liquid Assets	Amount
Cash (FAS95)	
Cash equivalents (FAS95)	
AAA rated government securities marked-to-market (M2M)	
Total Liquid Assets	

Required Liquid Assets

Category	Base Amount	Required Percentage	Required Amount
Required Net Worth		20.0%	

Compliant with Ginnie Mae Requirement? Yes No

²³ The total effective MH outstanding obligation is the sum of a) all MH securities outstanding, b) available commitment authority to issue new MH pools, and c) total MH pools funded.