

This publication will be used periodically to provide notifications and information about Ginnie Mae Modernization efforts. This is not a device to implement official policy changes to Ginnie Mae's Mortgage-Backed Securities (MBS) programs. If you have any comments or suggestions on how to make this publication more informative and helpful, please contact [askGinnieMae@hud.gov](mailto:askGinnieMae@hud.gov).

## Buydown and High Balance Loan Package Eligibility change in SFPDM

As announced in [APM 25-02](#) on 5/1/2025, Ginnie Mae will begin enforcing buydown loan pooling requirements per industry guidance, effective 5/19/2025. This guidance is applicable to all multiple issuer "To Be Announced" (MIP "TBA") securities, also known as MIP (M SF) loan package submissions, and will mirror existing pool requirements currently in place for high balance loans.

The SFPDM (Single Family Pool Delivery Module) system has been updated with new business rules to prevent Issuers proceeding with loan packages whose buydown loan percentage or high balance loan percentage exceeds 10% of the aggregate loan package balance pooled. To date, SFPDM has only issued a warning for buydown loan packages whose aggregate balance exceeded 10%. The new rule will limit both high balance loan and buydown loan collateral to not more than 10% of the Issuer's aggregate loan package balance at pooling.

If a fatal edit is encountered in SFPDM, the loan package will be returned at time of pooling and will not proceed to settlement. Issuers may then elect to adjust their loan package to meet pooling requirements, prior to resubmission, or select another pool type.

This change is an interim measure, designed to ensure that all Ginnie Mae TBA adhere to industry guidance published by the Securities and Industry Financial Markets Association (SIFMA). SIFMA Underwriting Guidelines, [Chapter 8](#), ensures uniformity among TBA issuances. Due to recent market conditions that have seen increased pooling of buydown loans, Ginnie Mae has observed several instances where pooled buydown loan collateral has exceeded these industry guidelines at issuance.

Please note the enforcement of this rule will apply to all buydown loans in the Ginnie Mae TBA (M SF) pool type until Ginnie Mae can address permanent adjustments to the Pool Delivery Dataset (PDD) that will distinguish between SIFMA definitions for conforming and non-conforming TBA buydown collateral.

Loan Type	Enforced Rule	Note
Buydown Loans	Loan package submissions for a Ginnie Mae MBS II (“M SF”) pool may not include more than ten percent (10%) buydown loan collateral, as part of the aggregate original principal balance of the loan package pooled. Loan packages in excess of 10% shall be rejected back to the Issuer via fatal edit in SFPDM. Buydown loans will continue to be excluded from pooling in the Ginnie Mae MBS I (“X SF”) pool type per the current MBS Guide pooling rules.	If a loan is both a Buydown loan and a High Balance loan, the loan will count against the ten percent (10%) limit of each requirement.
High Balance Loans	High Balance loans exceeding ten percent (10%) of the aggregate original principal balance of all loans in the loan package will continue be rejected via fatal edit in SFPDM. Issuers may pool not more than 10% high balance loans in the “X SF” and “M SF” pool types, to ensure that TBA uniform guidelines are met.	

Please refer to [APM 25-02](#) for additional details, including updates to the “MBS Guide” and the Glossary.

For questions, please email [askGinnieMae@hud.gov](mailto:askGinnieMae@hud.gov) or reach out to your Account Executive in the Office of Issuer and Portfolio Management.

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