CHAPTER 7. APPLICATION FOR APPROVAL AS A GINNIE MAE ISSUER

PART 1. OVERVIEW OF CHAPTER

Effective Date: 2022-06-17

This chapter describes the application procedures for requesting approval as a Ginnie Mae Issuer.

The application procedures for requesting approval as a Ginnie Mae eIssuer are contained in the Digital Collateral Guide Appendix V-07 of this Guide.

PART 2. APPLICATION PROCEDURE

Section A. Application Connection

Effective Date: 2018-11-08

All applications for Ginnie Mae MBS Issuer approval must be submitted online via Ginnie Mae's Application Connection which is located on Ginnie Mae's website at www.ginniemae.gov. Hard copy paper-based submissions will not be accepted.

Before filing an application, the applicant should acquaint itself with the Ginnie Mae website including the Issuer application checklists, forms, MBS Guide and other available resources.

Section B. Electronic Application Process through the Application Connection

Effective Date: 2024-09-06

Prior to completing an application for Ginnie Mae Issuer approval, an applicant should review the checklist of documents required to support an application. The checklist can be found on Ginnie Mae's website, under "About Us > How to participate > Becoming an issuer > Application Process" or in the Application Connection.

A sample Application for Approval as a Ginnie Mae Mortgage-Backed Securities Issuer (form HUD-11701) and a sample Resolution of the Board of Directors and Certificate of Authorized Signatures (form HUD-11702) may be downloaded from Ginnie Mae's website.

All application documents must be submitted online through Ginnie Mae's Application Connection. It is important to review the application checklist before registering on Application Connection because once the applicant registers on Application Connection, they applicant will have only 30 days to submit a complete application package. Applications not completed within 30 days of registration will be deactivated by Ginnie Mae.

Application Connection will guide the applicant through the submission process. Once the application has been submitted, the applicant will receive confirmation that the application has been received. The applicant can check the status of the application by logging on to Application Connection periodically.

The eligibility requirements for approval as a Ginnie Mae Issuer are the same under both the Ginnie Mae I MBS Program and the Ginnie Mae II MBS Program. Thus, an applicant must file only one application in order to qualify to issue securities under both Programs. However, additional application documents will be required from applicants who seek expanded authority to issue manufactured home loan and/or home equity conversion securities.

Section C. Submission of Forms
Effective Date: 2018-11-08

While samples of the form HUD-11701 and form HUD-11702 are available on Ginnie Mae's website and on Application Connection, the forms must be completed through Application Connection. Data entered into Application Connection will be used to populate and generate electronic versions of the form HUD-11701 and form HUD-11702.

The electronic versions must be printed and signed by the appropriate authorized Issuer personnel, and then scanned and uploaded into Application Connection. Once the application and forms have been submitted electronically, the applicant then must mail the original signed forms HUD-11701 and HUD-11702 to Ginnie Mae's Office of Enterprise Risk (see Addresses).

Ginnie Mae will not process applications until the original signed forms HUD-11701 and HUD-11702 have been received by the Office of Enterprise Risk

Section D. Ginnie Mae Review
Effective Date: 2018-11-08

Once the applicant has submitted the application via Application Connection, the application will begin to move through Ginnie Mae's review process. There are several levels of review. If additional supporting documentation is required at any stage of the review process, Ginnie Mae will notify the applicant accordingly. The applicant will have 30 days to provide the additional information requested by Ginnie Mae following the agency's initial review of the application.

If the requested information is not submitted to Ginnie Mae within 30 days of Ginnie Mae's request, then the applicant's access to Application Connection will be deactivated. If the applicant desires to continue the application process at a later date, then it must request new access to the Application Connection and submit all new forms and documents. The request will be treated as a new application requiring payment of a new application fee. Timeframes for any further requests for additional information will be rendered at Ginnie Mae's discretion.

Once Ginnie Mae has completed its review of the application package, Ginnie Mae will notify the applicant of its decision.

(1) If the application is approved, Ginnie Mae will assign a four-digit Issuer identification number to the applicant. This number must be used on all correspondence with Ginnie Mae and in connection with all of the Issuer's Ginnie Mae I and Ginnie Mae II MBS or HMBS transactions.

(2) If the application is approved, Ginnie Mae will notify the Issuer accordingly and provide the Issuer with contact information for the Issuer's assigned Account Executive within Ginnie Mae's Office of Issuer and Portfolio Management.

(3) If the application is denied, Ginnie Mae will advise the applicant in writing of the reason for the rejection.

PART 3. GINNIE MAE DISCRETION
Effective Date: 2018-11-08

Ginnie Mae, in its sole discretion, may refuse to grant Issuer status if Ginnie Mae determines that the applicant has failed to meet the requirements set forth in this Guide, or if Ginnie Mae otherwise determines that approval of the applicant would be detrimental to the MBS Program

PART 4. DOCUMENTS REQUIRED

Each applicant for approval as a Ginnie Mae MBS Issuer must upload the documents set forth below via the Application Connection.

Ginnie Mae reserves the right to require submission of additional information or documents.

Applicants for approval as an Issuer of FHA Title I insured manufactured home loan-backed-securities (MH) should review MBS Guide, Ch. 30 before completing the application for approval.

Applicants for as an Issuer of Home Equity Conversion Mortgage backed securities (HMBS) should review MBS Guide, Ch. 35 before completing an application.

Section A. All Applicants

Effective Date: 2026-11-03

(1) FHA approval is a prerequisite for Ginnie Mae approval *(Please See MBS Guide Chapter 2, Part 3)* and applicants must have a valid FHA mortgagee ID number to complete registration on Ginnie Mae's Application Connection. An applicant for Ginnie Mae MBS Issuer approval must be an FHA approved mortgagee in good standing.

(a) The applicant must certify at the time the application to Ginnie Mae is filed that it is an FHA-approved mortgagee in good standing and provide its FHA mortgagee identification number.

(b) If the applicant or any of its principals, officers or employees is the subject of any unresolved findings in an FHA quality assurance or Mortgage Review Board matter, the facts of the matter must be disclosed to Ginnie Mae at the time of application. The applicant must certify whether it or one or more of its principals or officers is the subject of any government debarment or HUD program exclusion, or has been subject to any such sanction within the ten years preceding the submittal of the application.

(2) Application for Approval – Ginnie Mae Mortgage-Backed Securities Issuer, form HUD-11701 (Appendix I-1) and all of the information required of the applicant on the form HUD-11701 must be completed via Application Connection portal. Data entered into Application Connection will be used to populate and generate an electronic version of the form HUD-11701.

The electronic version must be printed and signed by the appropriate authorized Issuer personnel, and then scanned and uploaded into Application Connection. Once the application package has been submitted electronically, the applicant then must mail the original signed form HUD-11701 to Ginnie Mae's Office of Enterprise Risk (see Addresses).

Ginnie Mae will not process applications until the original signed forms HUD-11701 and HUD-11702 have been received by the Office of Enterprise Risk.

The application form HUD-11701 requires the applicant to list on the application at least three (3) officers and one additional full-time employee who are responsible for

supervising the origination and servicing of pooled mortgages, or pooled Participations and related mortgages, and the issuance of mortgage-backed securities.

Section B of the application form HUD-11701 requires the applicant to disclose certain information about each person who serves on its Board of Directors or is an authorized signatory for the applicant. The disclosures must include any prior convictions, fines, or other adverse actions against the person by a federal, state, or local agency, or by a government-related entity, if the adverse action is related to the person's discharge of responsibilities that are characteristic of the financial services industry.

The term "government-related entity" includes, but is not limited to, FHA, VA, RD, PIH, Fannie Mae, Freddie Mac, the Federal Deposit Insurance Corporation, a Federal Home Loan Bank, the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the National Credit Union Administration, the Consumer Financial Protection Agency, and any state banking regulator.

(3) A Resolution of Board of Directors and Certificate of Authorized Signatures, form HUD-11702 (Appendix I-2), with original signatures and the applicant's corporate seal applied is required. The form HUD-11702 must be completed electronically via Application Connection, and then printed, signed by authorized personnel and sealed with the applicant's corporate seal.

The signed and sealed original form HUD-11702 must be scanned and uploaded to Application Connection in PDF, and the original signed and sealed form must be mailed to Ginnie Mae's Office of Enterprise Risk (See Addresses), along with an original executed copy of the application form HUD-11701.

The form HUD-11702 must contain the name and signatures of at least two (2) individuals who will serve as Security Officers for the Issuer. Security Officers are needed in order to obtain an RSA SecurID token for the Issuer if the application is approved by Ginnie Mae.

If any person named as an authorized signatory on the form HUD-11702 is not named in the Application for Approval – Ginnie Mae Mortgage-Backed Securities Issuer, form-HUD 11701, a resume for that employee must accompany the form HUD-11702.

(4) One copy of the applicant's annual financial statement for each of the last three fiscal years; audited and certified by an Independent Auditor (IA). These must be uploaded into Application Connection. The certified Independent Auditor must meet the requirements outlined in Chapter 1 of the HUD/OIG Consolidated Audit Guide.

If the latest audited financial statement is applicable to a period ending more than six (6) months prior to the date Ginnie Mae receives the application, the applicant also must submit a current, unaudited interim financial statement as of the most recent month-end certified by the chief executive or chief financial officer of the applicant. *(Please See MBS Guide Chapter 3, Part 7, § C(6) for the form of certification)*

(5) A written statement of the dollar value of loans made to officers, directors, or affiliates by the applicant as of the date of the most recent audited balance sheet.

If there are no outstanding loans of this type, the applicant must confirm that fact in writing.

(6) A written statement of the dollar value of pledged assets (any items of value that have been transferred or assigned to secure payment of an obligation) as of the date of the most recent audited balance sheet.

If there are no pledged assets, the applicant must confirm that fact in writing.

(7) The applicant must submit updated fidelity bond and mortgagee errors and omissions certificates of insurance, along with required endorsements and all other endorsements to the bond or insurance policy. (Please See MBS Guide Chapter 2, Part 7, Section C)

(8) A copy of the applicant's written quality control program for the underwriting, origination, and servicing of loans in Ginnie Mae MBS pools and loan packages and for secondary marketing. The applicant also must provide a copy of the most recent quality control audit, including the date of the audit, and must include a written statement of the action taken as a result of the findings, if any.

(9) A list of applicant's affiliates, if any, that are already participating in the Ginnie Mae MBS Program as Issuers and the four-digit Ginnie Mae Issuer identification number assigned to each entity.

If the applicant has no affiliate that is already participating in the Ginnie Mae MBS Program as an Issuer, the applicant must confirm that fact in writing.

If any affiliate of the applicant is already participating in the Ginnie Mae MBS Program as an Issuer, Ginnie Mae will require that a Cross-Default Agreement (Appendix I-4), be executed by the applicant and each affiliate that is a participant in the Ginnie Mae program. *(Please See MBS Guide Chapter 2, Part 12)*

(10) A written statement of the name, address, telephone number, and contact person for each mortgage insurance company, warehouse lender, and investor with whom the applicant currently is doing business.

(11) A brief description of the applicant's history including operating and business plans (see Application for Approval - Ginnie Mae Mortgage-Backed Securities Issuer, form HUD-11701 (Appendix I-1)).

(12) A written statement of the volume of mortgage loan originations during the three years preceding the filing of the application, broken down by loan type (i.e., conventional, FHA, VA, RD and § 184) for each of the following categories: single family residential, manufactured housing, and multifamily.

(13) A list of investors for whom the applicant is servicing loans, the number of loans being serviced for each investor and the aggregate remaining principal balances of the loans. Subservicing must be identified and broken out separately using the same format.

(14) A list of investors to whom the applicant has sold mortgages over the prior 12-month period.

(15) Resumes for all personnel listed on the HUD-11701 and HUD-11702 forms. One of the resumes must be for the officer responsible for mortgage servicing and securities administration. Another must be for the full-time officer in charge of day-to-day operations.

(16) Payment to Ginnie Mae, via pay.gov, of $2,500. *(Please See MBS Guide Chapter 6 for instructions)* This payment represents the Issuer application fee and is for review and analysis. It is earned when paid and is non-refundable.

Section B. Accessing Reporting and Pooling Systems Post Approval

Effective Date: 2023-12-01

In order to use Ginnie Mae's electronic applications, an Electronic Data Interchange System (EDI) Agreement must be executed by the Issuer and submitted. The EDI agreement can be found in Appendix III-13. Once the EDI Agreement has been executed, Issuers must register for access to the Ginnie Mae Enterprise Portal (GMEP) to access Ginnie Mae's electronic pooling and reporting applications.