CHAPTER 24. SINGLE FAMILY, LEVEL PAYMENT POOLS AND LOAN PACKAGES — SPECIAL REQUIREMENTS

PART 1. OVERVIEW OF CHAPTER

Effective Date: 2018-05-30

This chapter describes special requirements that apply for a pool or loan package of single family, level payment mortgages. The requirements described in this chapter may modify, supplement or, in some cases repeat for the purpose of emphasis, those set forth in previous chapters with respect to mortgage eligibility, pool and loan package requirements, required pool and loan package submission documents, and the securities. The pool suffix is "SF."

SF pools can be formed under the Ginnie Mae I MBS Program as X SF pools, and the Ginnie Mae II MBS Program as either C SF or M SF pools.

PART 2. MORTGAGE ELIGIBILITY, POOL, AND LOAN PACKAGE REQUIREMENTS

The mortgage eligibility, pool and loan package requirements that apply, with limited exceptions, to all pool types are found in MBS Guide, Ch. 9. In addition, SF mortgages, pools, and loan packages must meet the following requirements:

Section A. Mortgage Eligibility Requirements

Effective Date: 2026-11-03

(1) General requirements:

(a) Number of units: Each mortgage loan must generally cover no more than four units in a single structure. A mortgage loan for a two to four unit dwelling may be a High Balance Loan as defined in MBS Guide, Ch. 9, Part 2, § B. Issuers must ensure that the pooling requirements for High Balance Loans, specified below in MBS Guide, Ch. 24, Part 2, § A(1), are satisfied. The restrictions on the number of units for a single structure imposed by FHA, VA, RD or PIH are applicable to this program.

(b) Maturity: For pools or loan packages originated on or after September 1, 2004, Issuers may securitize loans with a first payment date more than 48 months before the issue date of the pool. However, and in order to avoid possible negative tax consequences to foreign investors, Ginnie Mae will not allow any loans originated prior to 1985 to be included in new pool or loan package originations. Moreover, and in order to ensure that Ginnie Mae's single family pools adhere to the test for reasonable homogeneity, Issuers must also ensure that the loan maturity requirements specified below in MBS Guide, Ch. 24, Part 2, § B(3) are met.

(c) Interest rate

(i) Ginnie Mae I MBS pools:

Each mortgage in a pool must bear the same fixed interest rate as every other mortgage in its pool, which is one-half of one percent (50 basis points) higher than the interest rate on the related securities. The interest rate on the mortgage may not change during the life of the mortgage.

(ii) Ginnie Mae II MBS pools and loan packages:

Each mortgage in a pool or loan package issued on or after July 1, 2003 must bear a fixed interest rate at least 25 but not more than 75 basis points higher than the interest rate on the related securities. The interest rate on the mortgage may not change during the life of the mortgage.

(d) Amortization: Each loan must provide for repayment in equal monthly installments over the fixed term of the loan. No loan may be re-amortized while it is in a pool or loan package.

(e) Buydowns

(i) Ginnie Mae I MBS pools:

Ginnie Mae I SF (X SF) pools may not contain mortgages with buydown provisions. Any mortgage with buydown features, whether or not specifically approved as a buydown mortgage, must either be placed in a separate BD or SN pool. *(Please See MBS Guide Chapters 25 and 29)*

(ii) Ginnie Mae II MBS pools and loan packages:

SF loans that include buydown provisions are eligible for Ginnie Mae II SF pools and loan packages under the following conditions:

With respect to the C SF pool type, buydown loans may be pooled without limitation.

The C BD pool type does not need to pool buydown loans exclusively, and may in fact commingle both buydown and non-buydown loans. If an Issuer submits a C BD pool type through Ginnie Mae's electronic pooling application, and the pool contains one or more buydown mortgages, the pool will be issued as a C BD pool regardless of the BD dollar amount and total pool dollar amount. At pooling, the appropriate FHA ADP codes will be identified for any FHA loans and applied to the buydown mortgages.

The C BD pool type will be eligible for immediate servicing transfer ("PIIT"), so long as both parties meet the servicing transfer requirements communicated in the MBS Guide. At issuance, the aggregate unpaid principal balance of all loans in a C BD pool must be at least $500,000, and consist of at least three loans, with the exception of Custom Bond Finance pool products, which only require, at minimum, an unpaid principal balance of $25,000.00, and one loan.

Pursuant to Ginnie Mae II MBS program requirements, the spread of note rates eligible for securitization of C BD pool types must be at least 25 basis points, but not more than 75 basis points, above the security rate. Consequently, C BD pool types will have a minimum servicing fee of 19 bps and a maximum servicing fee of 69 bps plus a 6 basis point Ginnie Mae guaranty fee.

A multiple Issuer pool or loan package (M SF) may contain both Buydown Loans and High Balance Loans. Buydown Loans may not exceed ten percent (10%) of the aggregate original principal balance of the loan package. High Balance Loans may not exceed ten percent (10%) of the aggregate original principal balance of

the loan package. 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.

Adjustable Rate Mortgages (ARMs), Graduated Payment Mortgages (GPMs) and Growing Equity Mortgages (GEMs) are not eligible for buydown consideration. Please see Chapter 25 of the MBS Guide for additional details on special requirements for buydown pools

(f) Interest escrow custodial account: An interest escrow custodial account must be maintained in connection with buydown mortgages for the deposit of buydown funds provided by the Issuer. This account must meet Ginnie Mae's escrow custodial account requirements and it must meet FHA's and VA's requirements for such accounts. *(Please See MBS Guide Chapter 16, Part 5)*

(g) Loan amount: The original principal amount of the mortgage for FHA loans is limited to the amount permitted for a particular geographic area pursuant to section 203(b)(2), section 214 or section 220(d)(3)(A)(i) of the National Housing Act. For VA loans see MBS Guide, Ch. 24, Part 2, § A(3) below. For RD loans see MBS Guide, Ch. 24, Part 2, § A(4) below. For PIH loans see MBS Guide, Ch. 24, Part 2, § A(5) below.

With respect to Ginnie Mae I "X SF" and Ginnie Mae II "M SF" pools, the aggregate amount of the issue date unpaid principal balance of the High Balance Loans, as defined in MBS Guide, Ch. 9, Part 2, § B, may not exceed 10% of the original principal balance of each pool or loan package.

With respect to Ginnie Mae I "X BD" and "X SN" pool types as well as Ginnie Mae II "M JM", "M FS", "All ARMS", "C SF", "C RG", "C ET" and "C BD" pool types, Issuers may pool High Balance Loans in excess of 10% of the original principal balance of each pool or loan package.

(h) Section 203(k) loans: A section 203(k) loan is eligible for a Ginnie Mae I MBS pool or a Ginnie Mae II MBS pool or loan package if (i) the borrower is an individual owner-occupant, or (ii) the borrower is an eligible nonprofit agency and the loan is originated under an affordable housing program approved by a local FHA office as specified in FHA Mortgagee Letter 2025-05 or (iii) the borrower is a state or local government agency. The Issuer pooling nonprofit agency section 203(k) loans must maintain in the loan package file with the document custodian a copy of the FHA letter approving the FHA affordable housing program under which the loans are originated.

(i) Assumptions: Loans that have been assumed by new borrowers in accordance with the requirements of the federal insuring or guaranteeing agencies, are eligible to be pooled, or remain pooled, as applicable, in Ginnie Mae MBS.

(j) Construction-to-Permanent or Rehabilitation Loans Eligible for Immediate Securitization (CRIS Loans): Certain C-to-P and rehabilitation loans are eligible for pooling if they close on their permanent terms and if they are insured or guaranteed by the applicable agency, even when the construction or rehabilitation of the subject property has not been completed. CRIS Loans must meet all pooling eligibility

requirements outlined in Chapter 9 and this chapter of the MBS Guide. CRIS Loans that are eligible for pooling include:

- FHA 203(k) Rehabilitation Loan (purchase or refinance)
- HUD/PIH Section 184 and Section 184A Single-Close Construction Loans (including Skilled Workers Demonstration)
- HUD/PIH Section 184 and Section 184A Rehabilitation Loan (purchase or refinance)
- USDA Single-Close Construction-to-Permanent Loan ("securitized version")
- USDA Rehabilitation and Repair with Purchase of Existing Dwelling Loan

(k) Loans Eligible for Pooling After Completion of Construction or Rehabilitation (PACC Loans): PACC Loans may be pooled once they are on permanent terms (whether having closed on permanent terms or converted to permanent terms) and are insured or guaranteed by the applicable agency. PACC Loans must meet the pooling eligibility requirements outlined in Chapter 9 and this chapter of the MBS Guide. PACC loans include:

- FHA Construction-to-Permanent Loan
- VA One-Time Close Construction-to-Permanent Loan
- VA Loan for Alteration and Repair
- USDA Single-Close Construction-to-Permanent Loan ("interest-only version" with re-amortization after construction is complete)

A conversion from interim financing to permanent financing often involves modifying the loan to its final terms, typically via a modification agreement.

(2) Special requirements for modified FHA-insured loans, VA and RD guaranteed loans:

The term "Modified Loan" means a mortgage loan that has undergone a rate and/or term modification pursuant to a duly executed loan modification agreement under the insuring or guarantying agency's loss mitigation program. At pooling, Modified Loans are regarded as new loans and judged on the modified terms under which the loans were pooled.

A Modified Loan may be re-pooled if it retains its first lien position and meets the conditions listed below. It is the Issuer's responsibility to ensure the Modified Loan's first lien position is not adversely impacted by any real estate taxes, assessments such as HOA dues, or other matters that could become a first lien. A loan modification that is combined with a deferment is ineligible for re-pooling into any Ginnie Mae single-family MBS. The deferment loss mitigation option must be exercised without buying the loan out of a Ginnie Mae MBS to avoid subjecting the loan to re-pooling restrictions.

Additional conditions for Modified Loans:

(a) the original mortgage that is to be removed from a Ginnie Mae pool for modification is 90 days or more delinquent.

(b) the Modified Loan meets all of Ginnie Mae's eligibility criteria for single family mortgages.

(c) the term of the Modified Loan is no longer than 360 months from the due date of the first installment payable under the modification agreement, with the exception of

"Extended Remaining Term Modified Loans" in the C ET pools whose terms are greater than or equal to 361 months but not more than 480 months.

(d) the Loan Modification Agreement must be recorded.

(e) the Issuer must ensure that the Modified Loan maintains its first lien position, which for loans backing securities issued on January 1, 2016 or earlier, must be documented by a new title policy, a title policy endorsement ensuring priority over defects, liens, and encumbrances, an ALTA Form Mortgage Modification Policy (MMP), or a Mortgage Priority Guarantee policy (MPG). For loans backing securities issued on February 1, 2016, or later, it must be documented by either a new title policy, a title policy endorsement ensuring priority over defects, liens, and encumbrances, or an ALTA Form Mortgage Modification Policy (MMP); and regardless of security issuance date, by such recorded subordination agreements as required to maintain first lien position.

(f) When submitting Extended Remaining Term Modified Loans for C ET pools, all Issuers must make the following attestation:

With respect to each mortgage loan, all modifications of the mortgage loan after the origination of such mortgage loan must be occasioned by default or reasonably foreseeable default on such mortgage loan within the meaning of Treasury Regulations section 1.860G-2(b)(3)(i).

Issuers may deliver electronically signed and notarized Loan Modification Agreements that meet the requirements outlined below in Chapter 24, Part 3, § A (2) (b).

Issuers are not permitted to deliver an electronically signed modification agreement if: a.) the security instrument, as modified by the electronically signed modification agreement, would be invalid or unenforceable or would no longer be in first lien position; b.) the recording jurisdiction does not permit or provide for recordation of electronic documents; or c.) the Issuer or eIssuer is unable to comply with the recording jurisdiction's recordation and formatting requirements for an electronic document's recordation.

(3) Special requirements for VA-guaranteed loans:

For a VA-guaranteed loan to be eligible for pooling, the following additional requirements apply:

(a) The amount of cash down payment and/or equity, plus the amount of available VA guaranty must equal at least 25% of (i) the purchase price of the property or (ii) the Certificate of Reasonable Value (CRV), whichever is less. The funding fee charged by VA must not be included in this calculation.

The cash down payment must also include the amount, if any, by which the purchase price exceeds the CRV. Loans for the simultaneous purchase of a home and energy conservation improvement are based solely on the CRV amount.

The cash down payment may not be derived from a second mortgage on the property.

(b) The mortgage amount may exceed the CRV amount only if the VA funding fee is included in the mortgage and only to the extent of the funding fee. The unpaid principal balance of a VA loan may be greater than the current conforming loan limit and still be eligible for inclusion in a Ginnie Mae pool.

(c) If there are co-mortgagors on a loan (other than husband and wife) and one or more of the mortgagors do not have VA eligibility (i.e., vet/non-vet joint loans) the loan is eligible for inclusion in a Ginnie Mae pool if the 25 percent requirement of VA guaranty plus cash/equity is met. The loan guarantee certificate will only reflect the veteran's pro rata interest in the mortgage.

(d) Refinance loans:

(i) Effective for mortgage-backed securities guaranteed between June 1, 2018 and July 31, 2019, a refinance loan insured or guaranteed under the United States Department of Veteran Affairs benefit program in chapter 37 of title 38 of the United States Code is eligible for Ginnie Mae securities with such issuance dates only if it meets the following condition.

The note date of the refinance loan must be on, or after, the later of:

- the date that is 210 days after the date on which the first monthly payment was made on the mortgage being refinanced, and
- the date on which 6 full monthly payments have been made on the mortgage

(ii) Effective with mortgage-backed securities guaranteed on or after August 1, 2019, a refinance loan insured or guaranteed under the United States Department of Veteran Affairs benefit program in chapter 37 of title 38 of the United States Code is eligible for Ginnie Mae securities only if it meets the following condition.

The note date of the refinance loan is on, or after, the later of:

- the date on which the borrower has made at least six monthly payments on the loan being refinanced; **and**
- the date that is 210 days after the first payment due date of the loan being refinanced.

(iii) Ginnie Mae is adding the following definitions for purposes covered by this section.

- the term "Refinance Loan" means a loan secured by an interest in real property that is a refinancing made to pay off or satisfy one or more outstanding loans, debts, or liens associated with the corresponding real property.
- the term "Loan Refinancing a Mortgage Without a VA Guaranty" means a Refinance Loan that is made to pay off a mortgage loan that is not insured or guaranteed under chapter 37 of title 38 of the United States Code, including but not limited to Refinance Loans made to pay off conventional mortgage loans, Refinance Loans made to pay off mortgage loans insured by the

Federal Housing Administration, and Refinance Loans made to pay off mortgage loans insured or guaranteed under USDA's Rural Development Program.

- the term "Loan Refinancing Non-Mortgage Debts" means a Refinance Loan that is made to pay off or satisfy a lien placed on the corresponding secured property other than a lien associated with a previous mortgage loan, including but not limited to tax, judgment, and mechanic's liens.

- the term "Loan Refinancing a Mortgage Without Scheduled Monthly Payments" means a Refinance Loan that is made to pay off or satisfy an outstanding mortgage that provides, by its own terms, for no monthly payments.

- the term "Permanent Financing Construction or Bridge Loan" means a loan used to provide permanent financing for a newly-constructed or renovated Single-family home and to satisfy an existing lien against a such home resulting from the corresponding construction or renovation project.

- the term "Re-Performing Refinance Loan" means a Refinance Loan that is not more than 30 days delinquent, that was previously bought out from a pool or loan package backing a Ginnie Mae MBS, and that retains the same rate and terms as the rate and terms associated with such loan on the date the loan was initially securitized in a Ginnie MBS.

- the term "Refinance of a Modified Loan" means a Refinance Loan that is used to pay off a Modified Loan as defined in Subsection (2) above.

- the term "High LTV VA Cash-Out Refinance Loan" means a Refinance Loan that is insured or guaranteed under the provisions of chapter 37 of title 38 of the United States Code with a loan-to-value ratio that exceeds 90 percent at the time of origination (i.e. 90.01 LTV and higher), and where the borrower converts any amount of home equity into cash.

- the term "Seasoning Requirements" means the requirements in Subsection (d)(i) and (d)(ii) above.

(iv) Loan Refinancing a Mortgage Without a VA Guaranty: Except as noted below, any VA-guaranteed Loan Refinancing a Mortgage Without a VA Guaranty, including a Refinance Loan used to pay off a conventional mortgage, is subject to the Seasoning Requirements in Subsection (d)(i) and (d)(ii), above.

(v) Re-Performing Refinance Loans: Effective with mortgage-backed securities issued between June 1, 2018 and July 31, 2019, any VA -guaranteed Refinance Loan that is redelivered to Ginnie Mae without modification must satisfy the requirements in Section (d)(i) above to be eligible for pooling and securitization, even if they were previously pooled.

Effective with mortgage-backed securities issued on or after August 1, 2019, VA-guaranteed Re-Performing Refinance Loans are exempt from the Seasoning Requirements in Subsections (d)(i) and (d)(ii), above. However, Re-Performing

Refinance Loans are subject to the same restrictions applicable to all Re-Performing Loans identified in Chapter 18 of this MBS Guide.

(vi) Refinances of Modified Loans: Except as noted below, any VA-guaranteed Loan Refinancing a Modified Loan is subject to the Seasoning Requirement in Subsection (d)(i) or (d)(ii) above.

(vii) Loans Refinancing Non-Mortgage Debt: VA-Guaranteed Loans Refinancing Non-Mortgage Debt are not subject to the Seasoning Requirements in Subsection (d)(i) or (d)(ii) above.

(viii) Loans Refinancing Mortgages Without Scheduled Monthly Payments: A Loan Refinancing a Mortgage Without Scheduled Monthly Payments, including for example a Refinance Loan used to pay off a reverse mortgage for which no monthly payments are scheduled, is not subject to the Seasoning Requirements in Subsection (d)(i) or (d)(ii) above.

(ix) Permanent Financing Construction or Bridge Loans: Effective with mortgage-backed securities issued between June 1, 2018 and July 31, 2019, Permanent Financing Construction or Bridge Loans may be exempt from the Seasoning Requirements when the loan associated with the mortgage that is being refinanced does not, by its own terms, provide for a minimum of six-monthly payments. For example, a Refinance Loan that is used to pay off a construction loan with terms that provide for interest only payments during the first four months followed by a fifth payment covering the full balance of the construction loan would not be subject to the Requirements of Subsection (d)(ii) above.

Effective with mortgage-backed securities issued on or after August 1, 2019, Permanent Financing Construction Loans are exempt from the Seasoning Requirements of Subsection (d)(i) and (d)(ii) above.

(x) VA requires an appraisal (a new CRV): If a loan is refinanced and VA requires a new CRV or appraisal, the guaranty requirement specified above in MBS Guide, Ch. 24, Part 2, § A(3)(a) must be met. The cash requirement, however, may be satisfied by either cash or “equity,” which is defined as the positive difference between the amounts specified in the CRV and the new loan amount.

Ginnie Mae authorizes these loans to be supported by an independent appraisal. The appraiser may not be an employee of the Issuer or of any subsidiary or related firm or corporation and must meet the qualifications for appraisers established by Fannie Mae or Freddie Mac.

(xi) VA does not require an appraisal: If a mortgage involves refinancing at a lower rate of interest and the VA does not require an appraisal, Ginnie Mae will not require an appraisal. In such cases, the Issuer must ensure that the VA guaranty plus cash (or equity, as defined above) will be equal to at least 25% of the new loan amount. The Issuer may use a reasonable value estimate other than an appraisal to determine the equity portion (the estimated market value in excess of the new loan amount).

Ginnie Mae does not specify any particular estimation procedure. The only requirement is that there be written documentation establishing a reasonable

market value estimate and that such documentation be available to Ginnie Mae for review.

If a VA GPM loan is refinanced into a level payment mortgage at a lower rate of interest, and if no cash is taken out as a result of the transaction, no appraisal is required.

(xii) Additional Pooling Restrictions for High LTV VA Cash-Out Refinance Loans: Effective with mortgage-backed securities guaranteed on or after November 1, 2019, High LTV VA Cash-Out Refinance Loans are subject to the following pooling restrictions, except as noted below.

- High LTV Cash-Out Refinance Loans are not eligible collateral for and may not be included in Ginnie Mae I Single-Family Pools X SF or X BD.
- High LTV VA Cash-Out Refinance Loans are not eligible collateral for and may not be included in Ginnie Mae II Single-Family Multiple Issuer Pools M SF.
- High LTV VA Cash-Out Refinance Loans that are Permanent Financing Construction or Bridge Loans are exempt from the restrictions in this subsection (xii) and may be pooled into Ginnie Mae I and Ginnie Mae II pools.

(e) For VA vendee account mortgages or installment contracts guaranteed pursuant to VA Regulation 4600 (38 CFR 36.4600) or VA direct loans sold and guaranteed pursuant to 38 U.S.C. 1811(g):

(i) If the loans are eligible for repurchase by the VA at less than 98 percent of par, there must be collateral on deposit with the Ginnie Mae Office of Issuer & Portfolio Management in an amount equal to one-half the difference between the purchase price and 98 percent of par. No collateral is required, however, if the amount is less than $1,000.

(ii) Collateral must be either a certificate of deposit evidenced by a deposit agreement (Appendix III-11) or a letter of credit held for Ginnie Mae's benefit (Appendix VI-3). The collateral must be held for six years, and it may be reduced by one-sixth of the original amount at the end of each year at the request of the Issuer.

(iii) Title evidence and other documentation required to be deposited with the document custodian is limited to that supplied by the VA to the Issuer.

(iv) The loans must have been sold by the VA no more than 48 months before the issue date of the securities.

(v) The loans must be either guaranteed by or, in the event of default, subject to repurchase by the VA at no less than the price at which they are sold by the VA.

(4) Special requirements for RD-guaranteed loans:

For an RD loan to be eligible for pooling, the following additional requirements apply:

(a) The RD loan must be made under the section 502 Guaranteed Single Family Rural Housing Loan Program of the Department of Agriculture. The entire loan must be pooled.

(b) Once an RD loan is pooled, some of the loan servicing options offered by RD are not available. All subcontract servicing agreements must be in accordance with the requirements set forth in MBS Guide, Ch. 2, Part 15; Ch. 3, Part 20; and Ch. 4, Part 3.

(c) In addition to the documents listed in MBS Guide, Ch. 13, Part 7, § B, the Loan Note Guaranty (as evidence of the RD guaranty) must be deposited with the document custodian at the time of final certification.

(d) Each manufactured home loan originated under section 502 must be pooled in an SF pool. *(Please See MBS Guide Chapter 30)*

(5) Special requirements for § 184 loans:

For a § 184 loan to be eligible for pooling, the following additional requirements apply:

(a) The § 184 loan must be made under the section 184 Indian Home Loan Guarantee Program.

(b) The § 184 loan may provide both construction and permanent financing or only permanent financing.

(c) A § 184 loan must be documented by a certificate of loan guarantee issued by PIH, which must be deposited with the document custodian at the time of final certification and maintained in the loan file.

(d) The loan and related security instrument must be recorded with the Bureau of Indian Affairs rather than by a local jurisdiction. The security instrument may be a mortgage, deed of trust or lease contract.

(e) Title insurance is not available for § 184 loans. A title status report issued by the Bureau of Indian Affairs must be deposited with the document custodian at the time of final certification and maintained in the loan file.

(6) Special Requirements for Re-Performing Loans – Re-Performing Loans and Re-Performing Modified Loans are subject to the pooling restrictions provided in Chapter 18, Part 2 § (B)(6).

(7) Special Requirements for Digital Collateral—Mortgages backed by digital collateral, such as, but not limited to eNotes are subject to the requirements of the Digital Collateral Guide, Appendix V-07 of this Guide; may only be pooled by approved eIssuers; and maintained by approved eCustodians.

Section B. Pool and Loan Package Requirements
Effective Date: 2021-10-29

(1) Minimum pool and loan package balances:

As of the date of issue, each Ginnie Mae I SF pool and each Ginnie Mae II custom pool must, except as provided in paragraph (2) below, have an original principal amount of at least $1,000,000. As of the date of issue, each loan package for a Ginnie Mae II multiple Issuer pool must have an original principal amount of at least $25,000 and may consist of only one loan.

NOTE: Per APM 10-09, dated June 18, 2010 the half and whole security coupon rate requirement has been temporarily delayed. This requirement will be reinstated for all multiple Issuer pools with an August 1, 2010 issuance.

(2) State or local housing bond financing programs and C ET pools:

(a) A $25,000 minimum pool size is permissible for Ginnie Mae I pools and Ginnie Mae II custom pools if the securities are to be used as collateral for a bond financing program (BFP). Each pool of this type may contain fewer than three loans and may consist of only one loan. It is intended that the related securities will be held by the trustee for the BFP. If the related securities are traded in the secondary market, each purchaser must be provided with a letter stating that the underlying mortgages are part of a mortgage revenue bond program and that the security holder may experience different prepayment characteristics than might be customary.

(i) The Issuer will be required to certify that a pool is collateral for a BFP if it does not satisfy the applicable standard Ginnie Mae I or Ginnie Mae II pool requirements for minimum pool size and minimum number of loans. The required form of bond financing program certification is set forth in Appendix III-12.

(ii) At any time beginning the 6th day of the month after issuance of the final pool in a BFP, any or all of the pools issued as collateral for that BFP may be consolidated. The consolidated pool may be issued as either a Ginnie Mae I pool or II custom pool. The interest rate of the consolidated pool must be the same as that of all of the terminated pools.

(iii) The Issuer will be required to provide the certification described in MBS Guide, Ch. 24, Part 2, § B(2) and set forth in Appendix III-12. In addition, the Issuer will be required to provide the pool numbers of the pools being terminated, and the remaining principal balance for those pools as required in MBS Guide, Ch. 19. The original principal balance of the consolidated pool must be equal to the sum of the remaining principal balance of the pools to be terminated.

(iv) If all of the pools being terminated as part of the consolidation process have been final certified and/or recertified prior to termination, the consolidated pool shall not require final certification. If any of the pools being terminated are not finally certified and/or recertified prior to consolidating, Issuers have twelve months from the issue date of the new security to finally certify the consolidated pool. However, the document custodian must review the consolidated pool file to ensure that all required documents are present.

(b) A $25,000 minimum pool size is permissible for C ET custom pools. Each pool of this type may contain fewer than three loans and may consist of only one loan.

(3) Maturity:

To ensure reasonable homogeneity among pools of loans:

(a) At least 80 percent of the original principal balance of each Ginnie Mae I pool and each Ginnie Mae II custom pool must be in mortgages with maturities within 30 months of the latest mortgage maturity; and

(b) At least 90 percent of the original principal amount of each Ginnie Mae I pool and each custom pool and loan package submitted under the Ginnie Mae II MBS Program must be in mortgages with maturities of 20 years or more. However, Ginnie Mae will allow the mortgages in a pool or loan package to have a uniform maturity of less than 20 years if at least 90 percent of the original principal amount of the pool or loan package is in mortgages with the same original term (e.g., 15 years), that original term is the longest term of any loan in the pool or loan package, and certain special disclosure requirements are met:

(i) The Issuer of the pool or loan package must disclose the following in writing to the securities dealer or other first purchaser:

- that the pool or loan package differs in maturity composition from Ginnie Mae's normal requirements;
- the longest term of any loan in the pool or loan package; and
- that loans comprising at least 90 percent of the original principal amount of the pool or loan package have that term.

(ii) The Issuer must obtain from the securities dealer or other first purchaser written confirmation that these required disclosures have been made and are acceptable.

(iii) In the case of a pool submitted pursuant to MBS Guide, Ch. 10, Part 6 the Issuer, and in all other cases the PPA, must include the following text in the prospectus by typing it on the "Annex — Special Disclosure" (see Form HUD 11717 (Appendix IV-4) and Form HUD 11717-II (Appendix IV-20)).

> This pool contains mortgages with maturities that differ from those required under Ginnie Mae's standard program requirements.

(c) The Homogeneity requirements in this section do not apply to the C ET pool type. This pool type is restricted to mortgages with terms greater than or equal to 361 months, but not more than 480 months at pool issuance.

PART 3. REQUIRED DOCUMENTS

The procedures and basic document requirements for submission of all pools and loan packages are found in MBS Guide, Ch. 10, 11, and 13.

Section A. For Certification by Document Custodian

Effective Date: 2023-06-14

(1) The loan documents required for initial and final certification of an SF pool or loan package by the document custodian are the same as those discussed in MBS Guide, Ch. 13, Part 7. They are summarized in the following table:

Documents	Form Number	Appendix
For Initial Certification		
Schedule of Pooled Mortgages	HUD 11706	III-7
Release of Security Interest, executed original, if applicable	HUD 11711A	III-5
Certification and Agreement, executed original	HUD 11711B	III-5
Original notes (or, in the case of modified loans, the original notes executed for the modifications) or other evidences of indebtedness, endorsed in blank, without recourse		
For nonprofit agency section 203(k) loans, FHA affordable housing program letters		
For Final Certification		
Original recorded mortgages (or, in the case of modified loans, the recorded original mortgages, the related original notes, the modification agreements, and any required subordination agreements and/or title endorsements)		
All recorded interim assignments		
Evidence of good title (e.g., mortgage title insurance policy)		
Evidence of mortgage insurance or guaranty provided by FHA, VA, RD, or PIH (not required for manufactured housing). In lieu of an original MIC signed by FHA or LGC signed by VA, electronic confirmation from FHA Connection or VA's TAS is acceptable.		

(2) Electronic Signature Requirements:

(a) For loans backed by electronically executed Promissory Notes (eNotes) that are part of the Digital Collateral Program, Issuers must be approved as an eIssuer. The application procedures for requesting approval as a Ginnie Mae eIssuer are contained in the Digital Collateral Guide, Appendix V-07 of this Guide.

(b) Ginnie Mae permits the use of electronic signatures and remote online notarizations for "paper" mortgages under certain circumstances that are not part of the Digital Collateral Program. Ginnie Mae allows Issuers to submit the following documents that are electronically signed in conjunction with Remote Online Notarization (RON):

- Loan Modification Agreements.
- Power of Attorney (POA) documents that are in some situations necessary to obtain Single-Family government insured or guaranteed loans. Issuers must continue to follow all insuring or guarantying agency guidance

regarding POA eligibility and requirements, including the circumstances under which a borrower is permitted to use an attorney-in-fact to obtain Single-Family government insured or guaranteed loans.

Issuers may deliver the above electronically signed and notarized mortgage documents that meet the following requirements:

(i) The mortgage document should be transferred in a manner that ensures its ongoing validity and enforceability and its associated electronic signatures;

(ii) The mortgage document file should be stored in a manner ensuring:

- The file name contains the following components: Ginnie Mae Loan Package/Pool Number, the loan's MIN (MERS® Mortgage Identification Number), and short description of the document; and
- The system used to store the file is set up with measures that ensure system integrity. These measures include a firewall, network perimeter security controls, and safeguards against malware. The system must also support one or more authentication methods to authenticate user access, track and prevent unauthorized viewing of the files and data. The system must employ a backup and recovery system capable of retrieving archived/backup material within a 24-hour period of a reported instance or activation of the Custodian's disaster recovery plan involving any Ginnie Mae's assets; and

(iii) The system used to electronically sign the mortgage documents must:

- clearly support the verification of the Borrower's identity;
- clearly identify the symbol or process used as an electronic signature by the borrower and the purpose of the electronic signature;
- present the mortgage document in compliance with all applicable state and federal requirements concerning the content, display, and format of information and retention (as required for paper records)
- clearly identify the mortgage document as the electronic record being presented for electronic signature;
- capture clear evidence that is compliant with all applicable state and federal requirements (including ESIGN) of the borrower's agreement to receive electronic records and the borrower's intent to adopt the electronic signature and to electronically sign the mortgage document and other electronic records as applicable, and maintain a record of such agreement;
- attach the electronic signature to, or associate the electronic signature with, the document and any other electronic records executed by the borrower;
- attribute the electronic signature to the applicable borrower;

- include the borrower's printed name in a visible and legible manner on the mortgage document;
- include a date and time stamp of the time of Borrower's execution of the mortgage document and any other electronic records;
- track and log actions related to the creation and signing of the mortgage document;
- provide reasonable evidence that the loan documents created and maintained by the system are not (and have not been) subject to unauthorized access or alteration;
- be capable of accurately reproducing the fonts, styling, margins, and other physical features of the mortgage document when electronically displayed and printed post-execution and as required by state and/or federal law; and
- in all other ways ensure that the document produced is in compliance with insuring agency guidelines and Ginnie Mae' s guidance on the mortgage documents.

(iv) The document is delivered as a MISMO Category 1, 2 or 4 Version 1.02 SmartDoc document or Portable Document Format (PDF) document.

(v) If the mortgage document is electronically notarized using Remote Online Notarization (RON), notarization requirements specified in MBS Guide, Appendix V-07 (Digital Collateral Program Guide) Section 3250.00 must be met.

Section B. For Approval by PPA and Ginnie Mae
Effective Date: 2023-12-01

The SF pool and loan package documents required for approval by Ginnie Mae are the same as those discussed in MBS Guide, Ch. 10, Part 3, except that the Issuer must also submit:

(1) Schedule of Subscribers and Ginnie Mae Guaranty Agreement, form HUD 11705 (Appendix III-6), which must indicate in the block "Type of Issue" that the pool is to be "X," "C," or "M" and in the block "Pool Type" that the securities are to be "SF."

(2) A BFP certification (Appendix III-12) if required pursuant to MBS Guide Ch. 24, Part 2, § B(2).

The following table lists the pool or loan package documents required by the PPA for approval of SF pools and loan packages:

Document Name	Form Number	Appendix
Schedule of Subscribers and Ginnie Mae Guaranty Agreement	HUD 11705	III-6
Schedule of Pooled Mortgages	HUD 11706	III-7
Master Servicing Agreement	HUD 11707	III-1
Master Agreement for Servicer's Principal and Interest Custodial Account	HUD 11709	III-2
Master Agreement for Servicer's Escrow Custodial Account	HUD 11720	III-3

Master Agreement for Servicer's Escrow Custodial Account (custodial account for deposit of buydown funds provided by Issuer)	HUD 11720	III-3
Master Custodial Agreement	HUD 11715	III-4
Prospectus	HUD 11717 or 11717-II	V-4 or IV-20
BFP certification, if required by MBS Guide, Ch. 24, Part 2, § B(2)		III-12

PART 4. THE SECURITIES AND MARKETING DISCLOSURE

Effective Date: 2021-10-29

Preparation and delivery of the securities through the depository are described in MBS Guide, Ch. 12. The text of SF securities held in certificated form is set forth in Appendix IV-11 for the Ginnie Mae I MBS Program and Appendix IV-25 for the Ginnie Mae II MBS Program. A partial statement of the terms of SF securities held in uncertificated form is set forth in Appendix IV-17 for the Ginnie Mae I MBS Program and Appendix IV-27 for the Ginnie Mae II MBS Program.

Ginnie Mae II SF securities backed by buydown mortgages must be clearly differentiated from other types of Ginnie Mae MBS in all forward market and other transactions. Therefore, in all communications relating to such transactions, an Issuer of a Ginnie Mae II custom pool or loan package must clearly disclose that the securities to be delivered are backed by a pool containing buydown mortgages. Also, before delivery, Issuers must obtain for their records from each dealer or investor to which the Issuer is selling securities a confirmation statement clearly disclosing the nature of the pool underlying the securities to be delivered.

Ginnie Mae II ET pools contain mortgages with maturities that differ from those required under Ginnie Mae's standard program requirements and must be clearly differentiated from all other types of Ginnie Mae MBS in all forward market and other transactions.

An Issuer must retain these confirmation statements as records subject to Ginnie Mae's right of inspection.