GNMA BRD REQUIREMENTS NEEDING MORE INFORMATION

I need additional information on the following requirements. Please submit real scenarios, especially on the requirements related to transaction processing, custodial accounting, GL entries…I've also asked for your current procedures on some of the requirements.

Use Case 5 (Required changes to the RFS Reporting; impacts multiple files).

Requirement # 57 (same as Requirement #238)
Description- Need to programmatically populate the Construction Loan Prin Bank ID field (**PIRPLHADL.PHCLPBID**) and the 'Construction Loan Principal Account Number' field (PIRPLHADL/ PHCLPACT) in the GinnieMae Additional Pool History File**.**   Currently, these fields are not programmatically populated by cutoff. The RFS Reporting must take into account whether or not a Loan/Pool is Construction.   The mapping of this field needs to be tied to the new Strategy indicator which denotes GinnieMae Construction Loans/Pools.

Some customers hold the Construction Principal Payments in the GinnieMae P&I Custodial DDA while others setup separate Reserve Accounts.

Some customers have also requested this allow for GL# or DDA#.

The RFS Bank ID field is 9-positions (ABA Routing #) and the RFS Account Number field is 10-positions; both are defined as Character not Numeric in the RFS GNMA Appendix. The Strategy DDA#'s are 15-positions. The NACHA file layout defines DDA account numbers as 17-positions.   Some Strategy DDA#'s can contain special characters but I was told no one includes special characters so this should not be an issue. ==GinnieMae verified on 6/3/2015 that they have no plans to expand this field to match the NACHA file. We need to right justify and populate with the last 10 digits of the DDA#.==

QUESTIONS:
- According to the Appendix VI-19, the Bank ID has to be the routing number and the Account Number should be the custodial bank account number. Why would you want ability to enter a GL#?
  - On the 9/11/19 MAC Investor call, no one was requesting ability to enter a GL#. Does everyone agree this part of the requirement can be deleted?
  - Also, discussed the need to be able to identify in Strategy the DDA holding the construction principal payments. At least one customer has verified w/GNMA rep that it should be held in separate account, not P&I custodial.
  - Confirm what level the DDA# should be stored: Investor Vendor, Loan, Pool…

- Do these 2 fields have to be blank on permanent pools to pass the RFS file edits?
  - On the 9/11/19 MAC Investor call customers confirmed they should be blank on perm pools.

Use Case 13 (Required changes for Advance Tracking and Reporting).

Requirement # 146 (Same as Req #163 under Use Case 14 for Custodial/Cash Activity)

Description- Verify whether or not we need to do anything for the Guaranty Fee advance. If the Guaranty Fee is deposited into the Investor P&I Custodial DDA upon receipt of Borrower's payment then an Investor Custodial record (PICD) can manually be created to release/post the remittance to GinnieMae. If it's deposited to Corporate Cash upon receipt of payment the entire guaranty fee draft amount is transferred to the P&I Custodial or Disbursement Clearing account the day before the total is drafted.

Customers need flexibility on the timing of the Guaranty Fee advances; Customers need a mechanism to dictate when Strategy performs the Advance. MAC-Drafted day before.

Rationale – The deposit and disbursement account for Guaranty Fee varies amongst the Customers. Need to allow flexibility to address the different accounting entries needed based on the cash activity.

QUESTIONS:
- Since GinnieMae auditors are requiring servicers to deposit Gross Interest into the GinnieMae P&I Custodial Account the Guaranty Fee will be deposited in the GinnieMae P&I account. How does this impact this requirement?
  - On the 9/11/19 MAC Investor call I asked group to send me detailed scenarios on their current cash movement as well as what they would want it to be once they switch to depositing Gross Interest.
- Provide detailed instructions on what you would want automated.
- Do we need to add something in Strategy that will trigger the Guaranty Fee Draft? i.e. Additional remittance date added to the investor vendor record?
  - How is this currently handled in Strategy? What creates the remittance transaction?
  - Provide details on how this could be automated.
- Please provide real scenario of how you want this to work. The example should include details of what occurs now and how you want the enhancement to modify the current accounting entries.
  - Trace receipt of borrower's P&I payment from start to finish noting what custodial accounts and GL accounts are impacted.

Include the advance of GF (including timing and how advance should be triggered in Strategy), and GF remittance (including timing and how advance should be triggered in Strategy).

o It's important for you to reference which custodial and GL accounts are being debited and credited for each activity in order for us to take into consideration the various customer accounting setups.

USE CASE 14 - (Required changes for Custodial/Cash Activity).

Requirement # 161 VOID
Description- Customers need the ability to specify what DDA the Guaranty Fee is deposited to since it may be different than the Servicing Fee deposit account. Need ability to independently direct the funds for Guaranty Fee and Servicing Fee.

QUESTIONS:
- Shouldn't this requirement be voided since GinnieMae auditors are requiring servicers to deposit Gross Interest into the GinnieMae P&I Custodial Account?
  - On the 9/11/19 MAC Investor call it was agreed this requirement is VOID.
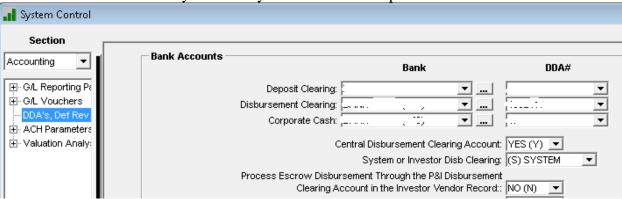
Requirement # 162
Description- Customers need the ability to have separate Disbursement accounts for P&I and T&I.

QUESTIONS:
- Are you looking for an additional Disbursement Clearing Account to be added to the Investor Vendor record?
  - On the 9/11/19 MAC Investor call, customers stated they believe Strategy already has this capability. Possibly something that is setup in the Investor Vendor record.
  - Since the P&I payments are drafted now no one should be cutting checks for principal and interest payments. This should alleviate need for a GinnieMae P&I Disbursement account.
  - Unless someone disagrees, this requirement will be VOIDED.
- Please provide real scenario of how you want this to work. The example should include details of what occurs now and how you want the enhancement to modify the current accounting entries.
- It would also be beneficial for me to know how you have your system control>accounting>DDA's Bank Accounts setup. I assume you have unique Bank/DDA's for Deposit Clearing, Disbursement Clearing, and Corporate Cash. If this is not the case please bring that to my attention.

I would like you to share how you have last 3 fields on this screen setup when you submit your scenarios/examples.

Requirement # 164 (mostly impacts construction loans; most issue security in lower amount)

Description- Strategy needs to create the correct cash entries to move money when a new Pool is issued on an amortized loan balance. There will be a difference between the Pool Issued Amount and the Loan Balance. In order to bring the Loan and Pool in sync the Customer will adjust the Principal being remitted to GinnieMae. For example: Loan Balance = $560,000.40; Pool Issue = $560,000.00; Scheduled Principal = $1,000.00. Customer will reduce the Principal amount being remitted to GinnieMae by .40 ($999.60) in the Initial Reporting Cycle.

- Loan ($560,000.40 - $1,000.00 = $559,000.40)
- Pool ($560,000.00 - $999.60 = $559,000.40)

In this example, Strategy would need to create entry that is debiting .40 from the GinnieMae P&I Custodial account and depositing it into Corporate Cash. There could also be the flip scenario where the Pool Issue Amount was greater than the Loan Balance. In this case Strategy would need to debit the adjustment amount from Corporate Cash and deposit it into the GinnieMae P&I Custodial account. Need option or ability to select a GL Account OR a Bank Account DDA for the entries.

QUESTIONS:
- Explain why you would need ability to select a Bank Account DDA instead of using Investor Vendor P&I Custodial and Corporate Cash DDAs.
- Are you looking for us to add a new GL Account # to the investor vendor for these entries?
- When should the creation of these entries be triggered in Strategy?
  - Upon receipt of borrower's 1st GinnieMae payment?
  - Day before P&I remittance?

USE CASE 16 - (Required changes for Investor Transfers/Repurchase).

We will revisit this use case after the current work for Investor Transfer is completed; at which time a gap analysis will need to be done.

USE CASE 17 - (Required enhancements for WHFIT Reporting – Job #19811 was included in R19A to bring the WHFIT code into core Strategy. R19A went out in November 2017.

Requirement # 212
Description- Define additional calculations required for the various GinnieMae customers.

QUESTIONS:
- This requirement will be voided unless additional calculations can be defined.
    - On the 9/11/19 MAC Investor call we discussed how our customers are reporting pools differently after the MDF amount equals "1":
        - One customer no longer includes those pools in the reporting file.
        - Three customers continue to include pools in the reporting file and reports MDF = "1".
        - One customer continues to include pools in the reporting file and reports MDF = "0".
    - MFS is discussing possible solutions to address the above.

USE CASE 18 - (Required enhancements for Construction Pool Reporting).

Read through the specific requirements and then **provide real scenarios from start to finish including Custodial Accounts and GL Account activity**. It's important for us to receive detailed scenarios including all of the accounting & cash entries as well as the investor master activity in Strategy for this Use Case.

Please **send me your current procedures for the monthly file maintenance you perform to fix the construction pool reporting in Strategy**. This will assist us in building out this functionality.

I assume you would have an internal investor **(would this be a D1 or D2 investor?)** and a GinnieMae (G1) investor on the construction loans so Strategy would track what portion of the principal balance is securitized and what portion is not securitized. Do you agree with this logic? **If not, please provide how you currently track this information.**

We would need to work through real examples of how the billing receivables and investor remittance records would work with the internal/external GinnieMae investor setup:
- Borrower needs to be billed at loan level interest basis code for entire balance but I would envision the GinnieMae investor being setup as A60.

- **Submit real examples of how you would envision the loan, investor master, billing and investor remittance records to be setup.**

Trace receipt of borrower's payment (including scheduled principal payments) through the GinnieMae remittance. Include details of what should be posted to both the internal and GinnieMae investor master records, custodial and GL accounts for following activity:

- Receipt of borrower's payment: interest and principal (reference what DDA and GL entries should be created for both the interest and principal payment)
- Collection of Guaranty Fee
- Guaranty Fee advance if payment not received (timing of when this should be triggered)
- Collection of Servicing Fee
- Advancing of Interest if payment not received (timing of when this should be triggered)
- Interest remittance
- Excess Yield
- Negative Yield
- Loan Advance
- Securitization of loan advance:
  - Would this be an investor transfer from Internal to G1 Investor?
  - Need detailed scenarios to build this out.
  - Gap analysis with current investor transfer work will need to be done.
- If there is an internal and external investor and all of the loan advances have been securitized (full balance is under the GinnieMae investor) couldn't there be a situation where the principal payments are applied to the internal investor resulting in a negative loan balance for that internal investor?
  - Provide real scenario of this including the GL and Custodial Accounting activity.

Requirement # 222 ==This solution wouldn't work for those billing/collecting principal as a reserve.==
Description- Revise the current RFS programming in order to automatically populate the applicable Construction Loan/Pool fields. This includes the reporting of the newly issued/securitized Certificates, and the principal payments collected but not remitted or reported.

For the 'Construction Loan Prin Balance' field (PIRPLHADL.PHCLPBAL) on the GinnieMae Construction Pools, Strategy needs to retrieve the Principal Collected amounts from the GinnieMae Investor Remittance records (PIREM.IRP$C). This is only for the construction pool reporting, NOT permanent pool reporting. This Requirement should be reviewed in conjunction

with the Business Requirements for Use Case #5 – Required changes to RFS Reporting; particularly Requirement #58.

Denise Pappu suggested setting this up at investor vendor level

QUESTIONS:

- Need more detailed information to best assess how we would identify this to be picked up in PIRPLHADL.PHCLPBAL when principal is being billed and collected as a reserve.
- Is there a separate reserve for each loan?
- Would the 2-CH reserve type be the same for each loan where we could identify this code in the GinnieMae Investor Vendor records?
- If you bill as principal would we retrieve the amounts from an Internal Investor Remittance record (PIREM.IRP$C) and not GinnieMae Investor?
- Confirm if you are only reporting the amount of principal collected for that reporting month vs. total principal collected on the loan.
- Provide real scenarios of how you bill the principal and where the funds are deposited.

Author: Karla Ferguson

Requirement # 225

Description- Create a reporting tool in Strategy to track the securitization of the GinnieMae Construction Loan Advances. At any given point in time it is important to be able to identify what portion of the loan remains unsecuritized versus the GinnieMae Pool Balance used for reporting and remitting purposes. It is also important to track the Initial Reporting Month for each Security/Certificate. The tracking should include but not be limited to the following information:

- Loan Number
- Pool Number
- As of Date
- Principal Amount Disbursed to Date
- Pool Balance
- Issue Amount of each GinnieMae construction certificate
- Certificate Issue Date
- Initial Reporting Cycle for each certificate
- Certificate #
- CUSIP #
- Pro Rata Share % for the period
- Settlement Date
- Remaining unsecured balance (need to take into consideration any scheduled principal payments applied to loan balance)

Rationale – Customers need the ability to track when loan advances are funded to the Borrower and when they are subsequently securitized by issuing a new GinnieMae security. This impacts GL and cash entries.

QUESTIONS:

- If it is decided that an internal investor will be boarded to hold the unsecuritized balances then is this requirement needed?

Requirement # 226

Description- Strategy will use the 'Initial Reporting Month' for each of the additional Certificates being issued (see previous Requirement) to update the applicable balances and fields in the following files: Investor Master, Pool, and Pool History (11710A). The RFS balances flow down from the Pool History file.

Rationale – The GinnieMae Reporting should automatically pick up additional Certificates being issued and update the balances and reporting accordingly. Currently, the Customers have to file maintain all of these files when a new Construction Certificate is issued.

QUESTIONS:

- If it is decided that there will be an internal and external GinnieMae investor on the loan then wouldn't it make sense that an investor transfer would be performed when the advance was securitized?

- If so, then I would envision the internal to external investor transfer would trigger Strategy to increase the GinnieMae pool balance, and investor master balances. Transfer would need to be performed during the reporting month to be picked up. Do you agree?
- I would also envision this to trigger the transfer amount for the advance to be populated in Section 1-C Pool Principal of the 11710A pool history record (PIRPLH.PHOPP).

Requirement # 237
Description- Customers need ability to designate whether or not the Scheduled Principal payments should reduce the Borrower's Loan Balance and **when** the balance is reduced.
Rationale – Some customers collect the Principal payments but do not reduce the Loan Balance. The majority of Customers will apply the Principal and reduce the loan balance upon receipt of payment (effective date of transaction).

QUESTIONS:
- Is the requirement valid?
- If you are billing the principal as principal, shouldn't it automatically reduce the current balance under the internal investor?
- Balance should be reduced based on date principal is received, correct?
- If you are billing principal as a reserve then it should not reduce the principal balance, correct?
- If there is an internal and external investor and all of the loan advances have been securitized (full balance is under the GinnieMae investor) could there be a situation where the principal payments are applied to the internal investor resulting in a negative loan balance for that internal investor?
- If so, how should this be handled?

Requirement # 239
Description- If the Scheduled Principal payments are deposited and retained in the GinnieMae P&I Custodial DDA need to adjust the calculation for Section 5B-2 on the 11710A. Scheduled Principal payments received and posted in March 2013 would be reported in Section 5B-2 on the March 2013 11710A. If previous payments were still being retained in the P&I then this would be the cumulative balance of payments received through March 2013.
Rationale - Section 5B-2 is used to report the P&I Custodial Balances at a Pool Level. If the Scheduled Principal payments are being held in the GinnieMae P&I Custodial DDA then they should be reported here. According to Appendix VI of the GinnieMae Handbook: "Enter the amount calculated by adding the total receipts deposited to the P&I Custodial account this month, as reported in Section 1, to the prior month's Section 5, Line B-2 and deducting the "Total Cash Distribution Due Holders" reported in Section 2, Line G of the prior month's report, and servicing fees as applicable."

QUESTIONS:
- Does anyone hold the principal payments in the GinnieMae Cutodial P&I DDA?
- If so, should they be reported in Section 5 B-2?
- If they are reported in 5B-2 then we wouldn't be following the instruction in the Handbook since the principal amounts are not reported in Section 1 or anywhere on the 11710A. Need clarification.

Requirement # 240

Description- Need to produce an Exception Report for Prepaid Construction GinnieMae loans. This requirement may not be needed depending on how we use the new Securitized Tracking Tool to update the Pool/Security balances and the timing of the updates.

Rationale – If the regular payment is posted prior to the applicable investor cutoff programs running then the amounts being calculated and deposited for Net Interest and Guaranty Fee may not be correct. If a new Construction Certificate has been issued (increases Pool/Security Balance that the Net Interest and GF is calculated on) but not reflective in the balance used to calculate the amounts when payment is posted then the correct amounts are not being deposited. This could require a Corporate Advance to be made.

QUESTIONS:
- Is this a valid requirement?
- If so, details and real scenarios need to be submitted.

Requirement # 242

Description- Create a new 'Borrowing Type' for the Construction GinnieMae Loans that are amortizing. Should be setup as a "Decliner" but need to show the 'Available Funds'. "Other" Borrowing Type doesn't work since Current Status would show 'Available Funds' when it shouldn't. Clarify how "Other" works with available funds.

QUESTIONS:
- Is this a valid requirement?
- If so, need details of what needs to be done.

Requirement # 247

Description- For Construction Pools, the 'Loan UPB' field in the Loan file **(PIRLL.LLLNUPB)** needs to report the UPB of the loan this reporting period, as of the close of the Issuer's reporting cutoff for the reporting period. The value should NOT include amounts for unsecuritized construction loan draws. Also, this field should NOT be picking up any principal payments being collected on the Construction Loan.

Currently, there will only be one loan in each Construction Pool so the PIRLL.LLLNUPD value should match value in 11710-A, Section 3-D Security Balance for Construction Pools.

Rationale – Balance is based on pool securities not loan level balance.

QUESTIONS:
- If it is decided that there would be an internal and external GinnieMae investor on the loan, then this would be the current balance of the GinnieMae investor, correct?

USE CASE 19 - (Required enhancements for Converting Construction Pool to Permanent Pool).

- Provide me **detailed instructions on your current procedure** for handling this.

Requirement # 263

Description- Need to build a mechanism in Strategy which switches the GinnieMae Reporting over to the Permanent Pool without posting loan payoffs and creating liquidation reporting to GinnieMae. Need ability to run on demand and/or as part of the investor reporting cutoff programs.

The conversion process should not require a lot of file maintenance. Once the Pool Number has been switched over to the Permanent Pool (this should be automated based on the 'Initial Reporting Cycle for Permanent Pool') all of the reporting should flow through on the Permanent Pool #. The Permanent Pool record should automatically be created and the Construction Pool and Certificates should be inactivated. Screen should display the current values and then allow you to enter new values:

- Pool Master – would like a new one to be created; retain the construction pool record (Erika)
- Pool History
- Investor Master – ideally would like to retain the construction PIMST record even if the Investor #s were the same between construction & permanent - FUTURE
- Delete/Recreate IREMs
- Surrender all active certificates tied to the construction pool
- Change LIP flag in PMASTR
- Change Borrower Type in PMASTR from Decliner to Other
- Change PMASTR Simple Interest from Y to N
- PMASTR Payment Type gets changed to Regular Payment; some will have already changed this if the amortization period started before going to final
- Change PMASTR Interest Basis code to A60 – take into consideration whether or not the construction functionality has been done

- Change PMASTR Charge Late Fees from N to Y

Rationale – Strategy needs to stop reporting under the Construction Pool even though the Pool is not being paid off or liquidated. A loan number must have the ability to be tied to two different Pool Numbers; reporting will be done on the Construction Pool until converted to the Permanent Pool. Once converted, no reporting will be done on the Construction Pool. Reporting can only be done on the Construction OR Permanent Pool; can't report on both for the same Reporting Cycle.

QUESTIONS:
- Does it make sense to build this out as a special investor transfer process?
- Please submit your written procedures for how this is currently done.
- Provide details for all related accounting and custodial account activities for a real working scenario.

Requirement # 267
Description- As part of the Settlement on the Permanent Pool Security/Certificate, the Customer will need to apply and move the funds collected for Scheduled Principal Payments on the Construction Pool. Pru, Berkadia, Capital One -holds principal in P&I Custodial; Midland initially holds in P&I Custodial but moves it out into separate account before end of month;

Need to discuss this further with Customers and internally. The requirements will be different based on where the funds are deposited (GinnieMae P&I Custodial, Corporate Cash, Separate Reserve DDA) and whether or not the principal payments were being applied to the loan balance. Need more discussions to build out the remaining requirements including the processing of additional loan advances, principal reductions, updating PIREMS, LIP flag…

QUESTIONS:
- Provide real working scenarios including the cash movement (DDAs, and GL entries included).

USE CASE 21 - (Required Enhancements for Assignment an/or Repurchases).

- If there are additional Requirements **needed for Repurchases or modifications, please submit details** so they can be included in the BRD.

Requirement # 317
Description- There is a two claim processes involved in an Assignment. Customers have the option of liquidating the Pool with the first claim or 2nd claim process. Liquidating the Pool with the 1st Claim requires the Customer to advance the remaining 10% (only receive 90% settlement with the initial claim process).

Need to discuss in more detail what if anything we can automate as part of this process. No Loan Payoff Transaction is recorded. Cap One-no assignments.

Midland-very limited, mostly do modifications/purchases, Berkadia-not many, Prudential-getting ready to do their first one.

In order to track and retain some of the activity associated with the Assignment, it would be beneficial to create new fields and displays to capture the following:

- Date Assignment is Recorded (Loan Master)-along with the Bankruptcy, Foreclosure Info – PMAST3?
- A History for the Investor Master Record Status Code field changes including:
  - o Date value changed
  - o Old & New Record Status Code Values
  - o Ability to add Comments to every Record Status Code Change; explain reason for changing value; optional

Rationale – Assist customer in tracking the various activities since the entire process can take months/years. It could take a year for them to receive the 2nd/Final Claim.

QUESTIONS:

- Based on the limited assignment activity should this requirement be voided?
- If not, provide details of exactly what new fields you would want added and the definition of those fields (date, alpha, numeric) and the length.
- Do you feel we need to create a new display to track the maintenance of the Investor Master Record Status Code changes? Should there be a comment area available?
- FYI, currently the Investor Master Record Status Code has to be manually maintained to "A" prior to the reporting cutoff. This does NOT liquidate the pool.

Requirement # 318
Description- If Customer liquidates the Pool with the 1st claim the 'Record Status Code' needs to be reported as a "Repurchase" instead of "Assignment". Repurchases are loan modifications where you liquidate the existing pool and then reissue with modified loan terms.

Currently, GinnieMae loans that are Assigned or Repurchased are identified in the Investor Master 'Record Status Code' field.

This information also needs to flow down to the 'Removal Reason Code' in the 11710E Liquidation Report and the RFS Pool File – **PIRLL**.

QUESTIONS:

- Charla can you check with Blake to see if he has additional requirements for repurchases/modifications? He had mentioned something on one of the calls but I never received any information.
- Should this requirement be voided?

- If no, then I need detailed requirements.
- FYI, currently the Investor Master Record Status Code has to be manually maintained to "R" prior to the reporting cutoff. This liquidates the pool.

Requirement # 319

Description- Need to review programming being done under Job #17935; currently adding enhancements for Internal to External transfers and External to Internal when GNMA = External Investor. Need to assess what impact these changes have on the GinnieMae Investor Transfer Requirements. ==MAC group prioritized the GNMA impacted Investor Transfers as the last to focus on. Need to revisit this and the impact once we get to the time where we are focusing on these transfers.==

QUESTIONS:
- Has everyone submitted the necessary scenarios through the MAC Investor sub group for all of the other investor transfers? I believe this was still outstanding for us to start the work.

Requirement # 320 VOID

Description- Investor Master Record Status Code "A" for FHA Project Pool Assignment may need to trigger a pool liquidation but need to get consensus from MAC group.

QUESTIONS:
- In release 19C, you have to manually file maintain the Record Status Code to "A" prior to the monthend cutoff. This does NOT liquidate the pool. You do have the option to manually add a liquidation record that will create an 11710E form.
- Are there situations where record status code "A" should automatically liquidate pool?
- If so, need details on what should trigger Strategy to liquidate the pool vs. when Record Status Code "A" should not trigger liquidation.
  - On the 9/11/19 MAC Investor call, customers agreed there should be no automatic liquidation. This will remain a manual liquidation process.
  - Requirement is VOID.

CS Pools:

I had a conversation with a customer about their "CS" pools where the interest rate on the loan is higher during the construction period and then lowered on the commencement of amortization date. At which time the pool is not reissued. There was mention of some special reporting that is needed for these situations but I did not receive any detailed requirements.

I suggested using the Rate Change screen under the ARM module to setup the new PIMST Net Yield, Serv Fee, & Guaranty Fee Rates. The Effective Date would need to be setup 1 month prior to actual date so change is reflected in the correct billing receivable.

You would have to manually change the rates in the Pool records prior to the monthend cutoff.

> **QUESTIONS:**
> - Is this something other customers deal with?
> - If so, please provide me with your current procedures for handling these pools.
> - Provide real working scenarios and requirements for this if it is something you would like us to consider incorporating into the BRD.
>   - On the 9/11/19 MAC Investor call customers stated they did not have any of these pools.
>   - Unless someone disagrees, this requirement will be VOIDED.

Pool Maturity Date:

New Requirement: when Strategy creates new pool record populate the Maturity Date so it prints on the Security/Certificate register. Should we take the Loan Maturity Date from the master record and just change the day portion to the 15th? If not, how should we calculate the pool maturity date?

- On the 9/11/19 MAC Investor call, customers agreed we should take the Loan Maturity Date from loan master and change the day portion to the 15th.

REVISED September 9, 2019:

I also need additional detailed information for requirement #351 below:

> **Requirement # 351**
> *Description*- Create Monthly Prepayment Penalty file that must be submitted to Ginnie Mae's Reporting and Feedback System (RFS) submitted via the GINNIE MAE ENTERPRISE PORTAL (GMEP) File Upload application. File Layout is embedded below.
>
> APPENDIX VI_GMEP
> Multifamily Prepaymer
>
> *Rationale* – Multifamily Prepayment Penalty data should be reported between the 1st business day of the month and 7 pm of the 4th business day of the month.
> *Related Jobs* –
> *Use Case* – 24
>
> **QUESTIONS:**
> - FYI, I pulled the format from the Handbook. Please review and verify this is the correct layout.

- Where do we pull the penalty amount from?
    - Should we retrieve the Transaction (PTRANS) records with a transaction code = "59"? (FYI, it displays in CS as Code "51" but stored in PTRANS as "59")
    - On the 9/11/19 MAC Investor call customers agreed to pull the "59" transactions.
        - If so, do we use the Transaction Date to determine if it should be included in the monthly file? Effective Date? From/To Dates? Payment Due Date? (see screen shot below)
        - On the 9/11/19 MAC Investor call customers stated to use the Transaction Date. Need to factor in that GNMA allows customers to decide what their cutoff date is; it can even be the 1st according to GNMA. Use Investor Vendor or PIMST dates? Don't some customers put the cutoff dates way out in the future? Need to research how our current cutoff program works-what dates does it use?
        - Should the amount in the file be the total Payment Amount or do we deduct amount entered for Service Fee? (see screen shot below)
        - On the 9/11/19 MAC Investor call it was stated we need to use Total Amount.
        - What if anything should we do with the Process Service Fee Y/N flag? (see screen shot below) N/A
- When do we pull the information and create the file?
    - Should the file be automatically created as part of the monthend GinnieMae cutoff programs? Yes
- Do we have to retain historical prepayment penalty files? No, like RFS. Generate during cutoff program, allow on demand creation with reporting month as only parameter being entered.
- Confirm that there should be an on demand file creation option where you can key in the reporting date. If applicable, do we have to provide ability to create the file at an investor and/or pool level or should the file always be created containing ALL active G1 (GinnieMae) pools? ALL GNMAs
- Please provide any additional details necessary that I may have overlooked.

Transactions

All Transactions
Prepayment Penalty

Loan Alerts Exist ...
Batch #: 5   Hold Codes:
Transaction Type: 51 PREPAYMENT PENALTY CASH PAYMENTS
Account #: 060067501   gnma
Lockbox Override:

Payment Type: REG AMORT (P)
Next Payment Due Date: 01/01/2015   Principal Balance: 683,743.24
                                         Suspense Balance: 27,000.00
Legal Maturity Date: 10/31/2023   Late Charge Balance: 1,941.73

Type of Processing: | Service Fee: | .00
Payment: | .00   Process Service Fee: |

From Date: 00/00/0000
To Date: 00/00/0000
Payment Due Date: 00/00/0000

Transaction Types

Type	Description	Short Desc	Sub-Trans Type Required	Invest Remit Reporting	Statement Print	Hedge Restrict
44	PRINCIPAL CREDIT	PRIN CR		YES (Y)	YES (Y)	YES (Y)
45	INTEREST CREDIT	INT CR		YES (Y)	YES (Y)	NO (N)
46	R.E. TAX CREDIT	R.E. TAX CR		YES (Y)	YES (Y)	NO (N)
48	FIRE INSURANCE CREDIT	FIRE INS CR		YES (Y)	YES (Y)	NO (N)
49	GROUP INSURANCE CREDIT	GRP INS CR		YES (Y)	YES (Y)	NO (N)
50	PMI/FHA INS CREDIT	PMI/FHA CR		YES (Y)	YES (Y)	NO (N)
51	MISC ESCROW CREDIT	MSC ESC CR		YES (Y)	YES (Y)	NO (N)
52	MISC AMOUNTS PAYMENT	MSC AMT PMT		YES (Y)	YES (Y)	NO (N)
53	MISC RECVBLE DEBIT	MSC RCV DR		YES (Y)	YES (Y)	NO (N)
54	MISC RECVBLE CREDIT	MSC RCV CR		YES (Y)	YES (Y)	NO (N)
55	MISC EXPENSE	MSC EXP		YES (Y)	YES (Y)	NO (N)
56	MISC EXPENSE REVERSAL	MSC EXP r		YES (Y)	YES (Y)	NO (N)
59	INTEREST PAYMENT	INT PAYMENT		YES (Y)	YES (Y)	NO (N)
60	INT ON ESCROW CREDIT	INT ON ESC		YES (Y)	YES (Y)	NO (N)
61	INT ON ESCROW DEBIT	INT ON ESC		YES (Y)	YES (Y)	NO (N)
62	INT ON ESC WITHHELD CR	WITHHOLDING		YES (Y)	YES (Y)	NO (N)
63	INT ON ESC WITHHELD DR	WITHHOLDING		YES (Y)	YES (Y)	NO (N)
71	CAP DIAL PAYMENT	C DIAL PMT		YES (Y)	YES (Y)	NO (N)
72	UNCAP DIAL PAYMENT	U DIAL PMT		YES (Y)	YES (Y)	NO (N)
73	DEFAULT INT PAYMENT	DFALT PMT		YES (Y)	YES (Y)	NO (N)

Trans Code stored in PTRANS file is "59"

OK   Cancel   Apply   Help

Ready