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Ginnie Mae

October 23, 2006





Overview

- Ginnie Mae and MISMO Alliance Agreement
- MISMO XML Considerations
- MISMO XML Development
- Proposed eMortgage Initiative
 - » eVault Guide
 - » Category 4 – Imaging
- Update Business Process Initiative



Ginnie Mae and MISMO Alliance Agreement

- Ginnie Mae has signed an agreement to establish a formal working relationship
- New Government Housing Workgroup
 - » Members will include issuer community, federal agencies and other business partners



MISMO Case Study

- Considerations
 - » Competitive Disadvantage
 - » Technology changes
 - » Industry standards
- Options
 - » Flat file and MISMO compliant XML transmission options
- Cost implications
 - » Ginnie Mae vs. Issuer costs
- Benefit
 - » Short term – options
 - » Long term - savings



MISMO Compliant Specification - Background

- In 2003 Ginnie Mae's Business Process Improvement (BPI) began
- Purpose – Modernization of Ginnie's computing infrastructure
- Goal – To support business transactions while providing the necessary controls to mitigate known risks
- Benefit – Enhance the quality and frequency of data provided to the markets
- MISMO as part of the BPI



MISMO Compliant Specification

- Ginnie Mae is developing a MISMO implementation plan for certain key business processes
- Working with MISMO directly using their adoption policy
 - » Develop a list of Ginnie Mae data points
 - » Analyzing Ginnie Mae data definitions vs. MISMO standards
 - » Identify data points that are unique to Ginnie Mae
 - » Analyze Ginnie Mae naming conventions with standard industry naming conventions
 - » Will submit elements unique to Ginnie Mae for MISMO adoption
 - » Seeking industry participation through MISMO workgroups
 - » Future: Considering MISMO's MXCompliance certification



Proposed eMortgage Initiative eVault

- Ginnie Mae's participation in eMortgages will require the participation of federal agencies (i.e. FHA, VA, RD, PIH)
- Eligibility Requirements would include approval from Ginnie Mae
- eVault requirements would require a secure electronic storage system
- Ginnie Mae will evaluate and provide eVault terminology



Proposed eMortgage Initiative Category 4 - Imaging

- Evaluating a Category 4 Imaging policy
 - » Identify essential vs. non-essential documents
 - » Determine which items must be maintained in their original physical form
 - » Propose a disposal schedule for non-essential documents
- Document Custodian will maintain hardcopy legal documents along with imaged non-legal documents housed in a Ginnie Mae approved eVault
- Ginnie Mae is evaluating MISMO's Category 4 Smart Doc specification and will provide requirements to our business partners

Benefit: Imaging and disposing of non-essential documents will reduce the cost of conducting business and may potentially reduce the cost to homebuyers



Business Process Initiative update

- Ginnie Mae's E-Notification
 - » Each issuer and document custodian has a “mail box”
 - » No more faxes, paper reports and notices and more timely receipt of key information
- Ginnie*NET* On The Web
 - » Signature tablets and pens are being replaced with fingerprint Technology
 - » No mailing of CD's for new releases of Ginnie*NET* and more timely implementation of new functionalities and programs
- Reporting and Feedback System
 - » Streamlining the monthly loan, pool and RPB reporting processes into one consolidated process
 - » More timely disclosures to the Street = better pricing



Summary

- Development of industry standards
- eVault
- Category 4 imaging
- Workgroup
- Feedback



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