



# MBA's Document Custody Conference 2007

## Agency Showdown Ginnie Mae



**San Antonio, Texas  
September 9, 2007**

# Adjustable Rate Mortgages

## New Fields for Document Custodian Review

New Review and audit requirements will become effective for all promissory notes dated on, or after, October 1, 2007.

New fields include:

- Index Type
- Initial Interest Rate Cap
- Subsequent Interest Rate Cap
- Lifetime Interest Rate Cap
- Interest Rate Change Date

# Certification Requirements

## Initial Certification

Documents required for Initial Certification:

- Promissory Note
- Intervening Assignments

# Certification Requirements

## Final Certification – Non Reps & Warrants Issuers



### Documents required for Final Certification – Non Reps & Warrants Issuers:

- Security Instrument
- Intervening Assignments
- Mortgage Title Insurance
- Agency Guaranty/Insurance

# Certification Requirements

## Final Certification – Reps & Warrants Issuers

### Documents required for Final Certification – Reps & Warrants Issuers:

- A Reps & Warrants issuer's custodian may issue the final certification of a pool without receipt of the security instrument, title policy and intervening assignments ("trailing documents").

# Certification Requirements

## Recertification – Non Reps & Warrants Issuers

### Documents required for Recertification – Non Reps & Warrants Issuers:

- Promissory Note
- Security Instrument
- Intervening Assignments
- Mortgage Title Insurance
- Agency Guaranty/Insurance

# Certification Requirements

## Recertification – Reps & Warrants Issuers




### Documents required for Recertification – Reps & Warrants Issuers:

- Promissory Note
- Agency Guaranty/Insurance

Reps & Warrants issuers must still procure the security instrument, title policy and intervening assignments, but may do so in the normal course of business.

# Certification Requirements

## Miscellaneous

- 
- Corrections to Documents
  - Note / Security Instrument Modifications
  - Data Errors in Property Addresses
  - Flow Certification Guidelines

# Field Review Audits

## Most Common Findings

### Severity Level - HIGH:

- Missing written attestation to the minimum two (2) hour fire rating
- Missing written and updated Policies and Procedures Guide
- Missing evidence of Fidelity Bond Insurance

# Field Review Audits

## Most Common Findings



### Severity Level - LOW:

- Form HUD 11708 is incomplete or incorrectly prepared
- The Errors and Omissions Policy and/or Fidelity Bond missing the endorsement naming Ginnie Mae as loss payee
- The number of pools held at Document Custodian do not match Ginnie Mae's records

# Questions, Comments, Contact Information



- Questions and Comments ~
- Contact Information:  
Jennifer Burke  
[Jennifer.Burke@hud.gov](mailto:Jennifer.Burke@hud.gov)  
202-475-4933