

APM 23-04

February 15, 2022

MEMORANDUM FOR: All Participants in Ginnie Mae Programs**FROM:** Alanna McCargo, President**SUBJECT:** Minimum Pool Size Reduction for HMBS

Ginnie Mae is reducing the minimum HECM Mortgage Backed Security (HMBS) pool size in order to minimize the amount of time Issuers must carry balances between disbursement and HMBS securitization.

Effective for April 1, 2023 Issuances and thereafter, Ginnie Mae the required minimum HMBS pool size for all HMBS pool types is reduced from \$1,000,000 to \$250,000. Each pool must still contain a minimum of three (3) participations, each of which is related to a distinct HECM loan in accordance with Chapter 35, Part 7 §E of the Ginnie Mae Mortgage Backed Securities Guide, HUD Handbook 5500.3, Rev-1 (MBS Guide).

Ginnie Mae is revising the MBS Guide Chapter 35, Part 7 §D and Appendix IV-29 (HMBS Base Prospectus) to incorporate the reduction in minimum HMBS pool size. Additionally, Ginnie Mae would like to remind Issuers and Investors that all HMBS pool types are eligible for Ginnie Mae's Platinum Certificate program which allows aggregation of small pools.

If you have any questions regarding this announcement, please contact your Account Executive in the Office of Issuer and Portfolio Management.

