

**U.S. Department of Housing and Urban Development  
Office of the Inspector General**

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**TRANSMITTAL**

**SPECIAL ATTENTION OF:**

HUD-Ginnie Mae Issuers of Mortgage-Backed Securities

**Handbook No. : 2000.04, REV-2, CHG-20**

**Chapter No.: 6**

**Issued: February 2016**

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1. This transmits chapter 6, change 20 to Handbook 2000.04, Rev-2, Consolidated Audit Guide for Audits of HUD Programs, HUD-Ginnie Mae Issuers of Mortgage-Backed Securities Audit Guidance.
2. **Summary:** The chapter has been updated to reflect changes in Ginnie Mae's net worth, liquidity, insurance, and reporting requirements.
3. **Significant Changes:**
  - a. Paragraph 6-5 B 1f, the insurance requirement language was revised to include a reference to policy elements required by section 2-7 of the MBS Guide.
  - b. Paragraph 6-5 G 2, and attachments B and D, the minimum net worth requirements language was revised to reflect an increase in the incremental net worth required for single family insurers and the cumulative requirements for issuers participating in more than one program.
  - c. Paragraph 6-5 I 2, and attachments D and G, the liquid asset requirement language was revised to reflect changes to the calculation for single family issuers and the cumulative requirement for issuers participating in more than one program.
  - d. Paragraph 6-17 E 1b, monthly trial balance reporting language was revised to reflect changes in electronic reporting of remaining principal balances effective October 1, 2015.
4. **Filing Instructions:** The issuance of this change updates chapter 6 in its entirety.
5. **Effective Date:** The changes to the chapter are effective upon issuance.



David A. Montoya  
Inspector General

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