

# Pass-Through Assistance Program Related to COVID-19 (PTAP/C19)

## Frequently Asked Questions

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### **What is PTAP/C-19?**

The Pass-Through Assistance Program (PTAP) related to COVID-19 (PTAP/C-19) was created as an Issuer assistance program to help Issuers meet their principal and interest (P&I) pass-through obligations to Investors. Through application, Issuers may request funds on a monthly basis to assist with the temporary financial impacts of COVID-19.

### **How do I apply for PTAP/C-19 relief from Ginnie Mae?**

An Issuer must apply for PTAP/C-19 relief from Ginnie Mae. The requirements depend upon the Program Type, and whether a request is the Issuer's initial application for relief or a subsequent monthly request.

The initial application includes the completion and submission to Ginnie Mae of two Agreements, as outlined within Chapter 34 of the Ginnie Mae MBS Guide and applicable Appendices: the Master Supervisory Agreement and the Request and Repayment Agreement, along with required supporting documentation as described in Chapter 34 of the MBS Guide. The Master Supervisory Agreement is only required at initial application.

Any subsequent request for monthly relief requires the submission of a Request and Repayment Agreement. In the Request and Repayment Agreement, Issuer information, Month/Year of request, Interest Rate, and Tables 1-2 must be completed by the Issuer prior to submission. Table 1A and Table 1B should be completed within an Excel/csv file format, updated with each request, and submitted along with the Request and Repayment Agreement.

Please use the correct forms for the Program Type for which the Issuer is requesting relief. Submitting the incorrect form or submission of incomplete data will cause delay and may result in denial of a request for relief assistance.

### **Do I have to repay PTAP/C-19 funds?**

The PTAP/C-19 relief funds approved and provided to Issuers by Ginnie Mae must be repaid in full, along with accrued interest amounts, no later than the stated maturity date of each assistance request.

### **What information should I complete on the Request and Repayment Agreement?**

All fields must be completed within the Request and Repayment Agreement (please remember that the correct document for use depends upon Program Type).

**May I include historical loan delinquency amounts in my current PTAP/C-19 request?**

No, prior period delinquencies cannot be included within PTAP/C-19 requests. PTAP/C-19 relief is only available for loans for which no borrower payment is received by the Issuer for the current Investor Payment cycle.

**What is the interest rate for PTAP/C-19? Where Do I find this?**

The interest rate applied to PTAP/C-19 funding will be determined monthly and posted on the official Ginnie Mae website on the 2<sup>nd</sup> business day of each month. The posted interest rate applies to both the Single Family and Multifamily programs.

**How is the interest calculated on my PTAP/C-19 relief funds?**

The PTAP/C-19 interest rate will be a fixed rate over the term of the Request and Repayment Agreement for all Issuers who apply during that month. The calculation for interest accrual is contained in the Master Supervisory Agreement. The methodology devised to compute the monthly rates is intended to compensate Ginnie Mae adequately for the costs and risks of providing the funding while incentivize the use of private capital ahead of PTAP/C-19 and avoiding burdensome administrative demands.

**Will a request under PTAP/C-19 affect an Issuer's ability to conduct other business with Ginnie Mae, such as requesting commitment authority, processing transfers of servicing, or changing sub-servicers or document custodians?**

Issuer participation within PTAP/C-19 will not by itself impact or restrict other business activities with Ginnie Mae. Issuers are reminded of their requirement to comply with all other MBS Guide and program requirements during the period of PTAP/C-19 assistance.

**Can loans in the process of securitization be pooled should the borrower elect to enter a period of forbearance pursuant to the CARES Act?**

Loan eligibility for pooling has not been altered by PTAP/C-19 or the CARES ACT. If the loan is insured or confirmed insurable by the applicable insuring agency and meets the pay status and other requirements of the Guide, the loan remains eligible for Ginnie Mae pooling and securitization.

**Please clarify the expectation of Ginnie Mae that prior to requesting PTAP/C-19 assistance the issuer has exhausted all funding options to cover anticipated principal and interest payments to investors.**

Because PTAP/C-19 assistance represents an outlay of taxpayer funds, Issuers should explore and exhaust all available financing options prior to requesting PTAP/C-19 relief. Ginnie Mae recognizes that projections and judgments are involved in an Issuer's decision about requested

PTAP/C-19 funding. Issuers should take care to provide a thorough explanation of the circumstances and considerations in the required PTAP/C-19 application statement

**Will Ginnie Mae be offering compliance relief on current MBS Guide delinquency ratios?**

Ginnie Mae is currently reviewing this option. Additional information will be released in the near future.

**Does Ginnie Mae expect to offer relief for final pool certification and/or pool recertification timelines and Guide requirements?**

Ginnie Mae will be reviewing the impacts of COVID-19 on both final certification and recertification requirements. At this time, there are no changes to the certification guidelines listed in the Ginnie Mae MBS Guide.

**How long will PTAP/C-19 be offered by Ginnie Mae?**

The current sunset date for Single Family PTAP/C-19 is July 30, 2021. The current sunset date for Multifamily PTAP/C-19 is December 31, 2021.

**Where can I find additional information?**

All formal guidance can be located within Chapter 34 Part 2 of the Ginnie Mae MBS Guide. PTAP/C-19 application materials are program-specific and may also be located within the Ginnie Mae MBS Guide. Please continue to monitor Ginnie Mae's website for applicable interest rates and updates to PTAP/C-19 as they become available.