

**DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

[Docket No. FR-4810-N-01]

**Notice Concerning Release of Certain
Loan-Level Data on Ginnie Mae
Mortgage-Backed Securities**

AGENCY: The Government National Mortgage Association (Ginnie Mae), HUD.

ACTION: Notice.

SUMMARY: This proposed notice announces the intent of Ginnie Mae, a Government corporation within the Department of Housing and Urban Development (HUD), to make certain loan-level data available to the public on Ginnie Mae multifamily securities, and invites public comments on this policy. This notice also invites comments regarding the impact of releasing specific loan-level information.

DATES: *Comment due date:* May 8, 2003.

ADDRESSES: Interested persons are invited to submit comments and responses to the Rules Docket Clerk, Office of the General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410-0500. Communications should refer to the above docket number and title. Facsimile (FAX) responses are not accepted.

FOR FURTHER INFORMATION CONTACT:

Paulette M. Griffin, Director, Multifamily Programs Division, Office of Mortgage-Backed Securities, Room 6216, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; telephone (202) 708-2043 (this is not a toll free number). Speech-or hearing-impaired individuals may access this number via TTY by calling the toll free Federal Information Relay Service at 1-800-877-8339.

SUPPLEMENTARY INFORMATION: The Government National Mortgage Association (Ginnie Mae), a corporation that is wholly owned by the federal government, was created in 1968 to assist in the movement of funds from capital market investors to the housing market. Ginnie Mae guarantees the timely payment of principal and interest on single family, multifamily, and

multiclass mortgage-backed securities issued by private institutions. The securities are backed by pools of mortgage loans that are insured or guaranteed by the Federal Housing Administration, the Department of Veterans Affairs, the Rural Housing Service, and the Secretary of Housing and Urban Development under section 184 of the Housing and Community Development Act of 1992.

In order to achieve a fair and open market in Ginnie Mae-guaranteed multifamily securities, the investing public, the securities industry, and issuers/servicers of those securities have asked Ginnie Mae to make delinquency information available to the public on the multifamily loans that back Ginnie Mae securities. Ginnie Mae proposes to make this information available to the public. Presently, issuers/servicers are free to disclose this information to the public, but there is no requirement that they do so. Some issuers/servicers disclose this information; others do not, and still other issuers/servicers selectively disclose the loan information. Unless this information is publicly available, investors may use less favorable assumptions when pricing multifamily Ginnie Mae securities. Making this multifamily loan information available to investors should lead to greater investor confidence and more accurate pricing on these securities. This could decrease the cost of borrowing to finance apartment buildings, and thus decrease the rents of low- and moderate-income families that live in those buildings.

The Department of Justice has advised HUD that, in the case of numerous information submitters, disclosure by an agency is permitted after publication of the agency's intent to release such information in a manner calculated to provide notice and afford affected parties an opportunity to comment. This procedure serves as notice to the public and provides an opportunity to comment. HUD first used this procedure in connection with disclosure of past note sale bids by publication in the **Federal Register** and the Commerce Business Daily. See 63 FR 36255 (July 2, 1998) and CBDNet Submission No. 230722 (July 30, 1998). Following this procedure, Ginnie Mae is publishing this notice of Ginnie Mae's intent to

make this information available to the public.

Ginnie Mae invites interested persons to submit their comments regarding this proposed policy. Ginnie Mae is also interested in receiving comments from Ginnie Mae submitters and investors. Commenters are asked to provide Ginnie Mae with a detailed written statement of their objections, if any, to release of the information. Such statement shall specify all grounds for withholding the information and shall specifically demonstrate why the information is a trade secret or commercial or financial information that is privileged or confidential. If a commenter maintains that disclosure would cause competitive harm, for example, the statement should show that disclosure would reasonably be expected to cause such harm. Conclusory statements that the information would be useful to competitors or similar conclusory statements generally will not be considered sufficient to justify confidential treatment.

At the conclusion of the comment period, Ginnie Mae will consider all comments and determine whether further changes should be made to this policy as a result of the issues raised by commenters. A final Notice will be published in the **Federal Register** that, if necessary, will set forth changes to the policy announced in this Notice, or that will adopt this policy without change.

Ginnie Mae will also carefully consider comments and objections before determining whether to disclose specific delinquency information. If Ginnie Mae decides to disclose the information over the objections of a submitter, Ginnie Mae will advise the submitter in a written notice of its intent to disclose the information 10 business days before the specified disclosure date.

Authority: 12 U.S.C. 1721(g); 5 U.S.C. 552; 24 CFR 15.108(c); E.O. 12600.

Dated: March 31, 2003.

Ronald Rosenfeld,

President, Government National Mortgage Association.

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