

Client Alert

October 2020

Ginnie Mae Tackles Legacy LIBOR Multiclass Securities

On October 7, 2020, Ginnie Mae [announced](#) that it will apply the Alternative Rates Reference Committee's recommended hardwired fallback approach to all LIBOR-indexed multiclass securities issued before March 2020. As [announced](#) on March 20, 2020, the Ginnie Mae Multiclass Securities Guide was updated to adopt this hardwired fallback approach for all LIBOR-indexed multiclass securities issued after March 1, 2020. Following these announcements, all LIBOR-indexed securities issued under the Ginnie Mae Multiclass Securities Program will be subject to the same hardwired fallback approach regardless of when such securities were issued.

Yesterday, we hosted the *Leading the LIBOR Transition: GSE and Government Mortgages and Securitizations* webinar, which offered participants an opportunity to hear directly from Daniel Coates of Federal Housing Finance Authority, Wells Engledow of Fannie Mae, John Getchis of Ginnie Mae, and Geraldine Hayhurst of Freddie Mac about how their organizations are addressing LIBOR transition issues related to mortgages and mortgage-backed securities.

Yesterday's webinar was the fourth in our *Leading the LIBOR Transition* series. Descriptions of the prior webinars and links to the related records, if available, are below:

- ***LIBOR Transition: Women in Capital Markets Forum***
The LIBOR transition panel discussion featured female speakers from relevant agencies who are familiar with the state of play and regulatory oversight. Panelists included Ann Battle, International Swaps and Derivatives Association; Shalei Choi, Ginnie Mae; Meredith Coffey, Loan Syndications and Trading Association; and Ang Middleton, Office of the Comptroller of the Currency.
- ***LIBOR Transition: Legal and Transactional Issues***
LIBOR is an interest rate index used in around \$250 trillion of financial instruments including real estate mortgage financing. Chances are, by the end of 2021, the index will no longer be available. How to transition to another index is a difficult matter raising myriad legal issues.
- ***Letting Go of LIBOR: A Look at Residential Mortgage Loans and RMBS***
This webinar featured a discussion of how LIBOR transition will be accomplished for residential mortgages and RMBS.
[Listen to the recording](#)
Access passcode: **HAK090120!**

The next webinar in Hunton Andrews Kurth's *Leading the LIBOR Transition* series, *LIBOR Litigation: How to Prepare for the Inevitable*, will be held on November 10 at 1 pm ET. During this program, [Brian Otero](#) will discuss the litigation risks associated with the LIBOR transition and what you can do now to mitigate these risks. Please click [here](#) to register.

Hunton Andrews Kurth LLP has served as Ginnie Mae's Legal Advisor under the Ginnie Mae Multiclass Securities Program since 1994 and as outside counsel to Freddie Mac and Fannie Mae in various capacities since 1976 and 2002, respectively. In addition to its extensive experience representing Ginnie Mae, Fannie Mae, Freddie Mac, Hunton Andrews Kurth regularly represents private sector enterprises on a wide array of LIBOR transition matters in securitization and mortgage financing, as well as in other areas, including bilateral and syndicated lending and consumer financial products.

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