

## Investor Reporting System Release Notes

October 10, 2019

Effective **October 21, 2019**, Fannie Mae will implement the following Investor Reporting system changes:

- Fannie Mae is adding two additional data quality checks to improve Mortgage Insurance (MI) data quality.
- Shortage/surplus adjustment will be viewable the day following the reinstatement in the A/A Cash Position screen in Loan Servicing Data Utility (LSDU).

### Two additional data quality checks to improve Mortgage Insurance (MI) data quality

Servicers will see two new exception messages in the invalid transactions search results in [Loan Servicing Data Utility \(LSDU\)](#). Fannie Mae is adding two additional data quality checks to improve Mortgage Insurance (MI) data quality:

#### New Quality Data Check #1

If a loan is delivered to Fannie Mae with no Mortgage Insurance (i.e. Mortgage Insurance Coverage is either 0% or Null) and the servicer submits a Mortgage Insurance Cancellation request via Transaction Type 89 (Tran 89 or LAR 89), then Fannie Mae will deem the MI Cancellation request invalid. The following exception message will appear in LSDU: “If Primary Mortgage Insurance % is null or 0 (zero), then Primary Mortgage Insurance Discontinuance Request is invalid.”

#### New Quality Data Check #2

If a loan is delivered to Fannie Mae with Mortgage Insurance Coverage not required and the servicer submits a Mortgage Insurance Cancellation request via Transaction Type 89 (Tran 89 or LAR 89), then Fannie Mae will deem the MI Cancellation request invalid. The following exception message will appear in LSDU: “If Primary Mortgage Insurance N/A Reason is other than null, then Primary Mortgage Insurance Discontinuance Request is invalid.”

Here is an example of how the new messaging will appear in LSDU.

Invalid transaction search results (34 transactions)						Search Results as of 09/11/2019 10:27:29 AM EST	Download
Servicer Number: Multiple (206)		Transaction Type: MI Discontinuance (LAR 89)					
FANNIE MAE LOAN NUMBER	SERVICER NUMBER	SERVICER LOAN NUMBER	REMITTANCE TYPE	TRANSACTION SUBMISSION DATE	TRANSACTION TYPE	ERROR MESSAGE	
123456789	987654321	LENDER-LOAN-NUM	Actual/Actual	05/03/2019	MI Discontinuance (LAR 89)	If Primary Mortgage Insurance % is null or 0 (zero), then Primary Mortgage Insurance Discontinuance Request is invalid.	
987654321	123456789	LENDER-LOAN-NUM	Actual/Actual	05/22/2019	MI Discontinuance (LAR 89)	If Primary Mortgage Insurance N/A Reason is other than null, then Primary Mortgage Insurance Discontinuance Request is invalid.	

### Reinstatement Process for SWAP MBS to Actual/Actual

After a Scheduled/Scheduled SWAP Reinstatement has been processed, Shortage/Surplus adjustments for a credit of advanced P&I will be made available immediately to the Actual/Actual account for offset to current/future cash activity due to Fannie Mae.

The shortage/surplus adjustment will be viewable the day following the reinstatement in the A/A Cash Position screen in Loan Servicing Data Utility (LSDU).

[See examples](#)

### For More Information

[Learn more](#) about how LSDU can simplify servicing.

For more information about this release, please contact Master Servicing at 1-800-2-FANNIE.