

Commitment Eligibility Edit Quick Tips for MBS

Several MBS commitment eligibility edits were moved upfront in Loan Delivery to identify commitment/contract-related issues prior to submission. The MBS edits were introduced as warning severity on Feb. 24, 2020, and will transition to fatal severity later in 2020.

Review the quick tips and frequently asked questions below for information on how to review and resolve the commitment/contract edits. Commitment eligibility-related edits are in the 3000 edit number series. For additional details on the edits, review the [Loan Delivery Business Rules Dictionary](#).

How to Review Commitment Edits

New Commitment Edit Summary and Loan Delivery Filter Options

To assist in managing and working through the loan-level commitment edits, a Commitment Eligibility Edits summary section displays on the Edit Results tab under the Pool Edits. Enhanced filtering options were also added to display All Edits, Commitment Edit Only, and Other (all non-Commitment Edits) using the Edit Category option.

Details	Wiring Instructions	Pool Statistics	GFee - BU/BD	Loans	Edit Results
19 Total Edits					
4 Pool Edits					
Edit ID	Severity	Description			
33	Fatal	Pool Issue Date month and year must be current or upcoming month. [SID: 674]			
Commitment Eligibility Edits - Summary					
Contract No. P007PP					
Edit ID	Severity	Description			
3993	Warning	Pool Issue Date of (2018-02-01) is not within the First Issue Month and Last Issue Month on the MBS Commitment (P007PP) for this loan. [SID: 674] [SID: 399]			
3996	Warning	Contract product attribute(s) do not match loan attribute(s). Review your Contract and loan data to ensure the loan belongs in the Contract.			
15 Loan Edits					
Edit ID	Severity	Loan No	Description		
151	Fatal	CLEAN14	The Last Paid Installment date must be less than or equal to 60 days before the current date. [SID: 440]		
1440	Fatal	CLEAN14	An RD 502 Guaranteed Loan SFC must be provided when Mortgage Type is USDA Rural Housing. [SID: 317]		
					Filter by Edit Category

Guidance for Resolving Common MBS Commitment Edits

Edit 3500 – Commitment/Contract Number Not Valid

Commitment Number ([Commitment Number]) could not be identified as a valid commitment. [SID: 399]

Edit 3500 is issued when the commitment/contract number in Loan Delivery cannot be found in PE – MBS. Review your open commitments in PE – MBS (see the [Viewing Open Commitments job aid](#)) and update the contract number as needed in Loan Delivery on the Loan Details page, or use the Update All loans functionality to update multiple loans at one time.



Contract in Loan Delivery

Contract/Commitment

MBS Investor Information

Contract Number A123AA	Ownership Percent 100
Remittance Day 18	Remittance Type 3 - Scheduled/Sched ▼

Guaranty Fee Information

Edit 3501 – Commitment Is in Pending Status

MBS Commitment Number on this loan ([Commitment Number]) is in Pending status. [SID: 399]

Edit 3501 identifies when a commitment/contract number is in Pending status in PE – MBS. For negotiated commitments, the contract must be signed before the loans are submitted in Loan Delivery. Edit 3501 will identify that the contract for a negotiated commitment is not signed and is in Pending status. Once the contract is signed and processed, running eligibility in Loan Delivery will clear edit 3501 from each loan. Contact your Fannie Mae customer account team for additional details on negotiated commitments.

Edit 3502 – Seller Number Contract Mismatch

Seller Number on this loan ([Seller Number]) must match the Seller on Contract Number ([Commitment Number]). [SID: 369, 399]

Edit 3502 identifies when the Seller Number provided in Loan Delivery does not match the Seller Number on the contract in PE – MBS. The contract number either will need to be updated on the Pool Details page in Loan Delivery, or the contract information updated in PE – MBS.

EXAMPLE: In this example, the Seller Number on the pool in Loan Delivery is not listed as one of the Seller Numbers in PE – MBS:

Loan Delivery

Details	Wiring Instructions	Pool Statistics	GFee - BU/B
Pool Detail Information			
Pool Number * AB1234	Suffix	Pool Issue Date	Pass-Through Rate
Seller Number * 197300000	Delivery Date	Minimum Servicing Fee (Basis Points) 25.00	
Servicer Number 197300000	Amortization Type	Accrual Rate Method S - Stated	
Pool Type S - Single	Mortgage Type	Pool Feature Codes	

PE - MBS

Seller Name	FANNIE MAE - PRICING INDICATION
Seller Number	-8
Affiliates	-6 (FANNIE MAE - PRICING INDICATION) -9 (FANNIE MAE - PRICING INDICATION)
Commitment Date	02/09/2017 04:11 PM Eastern Time



Edit 3503 – Pool Issue Date Contract Mismatch

Pool Issue Date of (|Pool Issue Date|) is not within the Issue Month on Contract Number (|Commitment Number|) for this loan. [SID: 674, 399].

Edit 3503 will identify when the Pool Issue Date provided in Loan Delivery is not within the First and Last Issue Months indicated on the contract in PE – MBS. Review the dates and update the Pool Issue Date or Contract Number in Loan Delivery or update the contract information in PE – MBS.

EXAMPLE: In this example, the Pool Issue Date in Loan Delivery is February 2020; however, the Issue Month in PE – MBS is January 2020. Review the issue dates and determine if an update is needed either in Loan Delivery or in PE – MBS:

Loan Delivery

Details	Wiring Instructions	Pool Statistics	GFee - BU/BD	Loans
Pool Detail Information				
Pool Number * AB1234	Suffix	Pool Issue Date 02/01/2020	Pass-Through Rate	Financial Institution N
Seller Number * 197300000	Delivery Date	Minimum Servicing Fee (Basis Points) 25.00	Remittance Day 18	
Servicer Number 197300000	Amortization Type	Accrual Rate Method S - Stated	Ownership % 100	
Pool Type S - Single	Mortgage Type	Pool Feature Codes		

PE - MBS

Commitment Details	
General	
Contract Number	L0
Commitment Amount	\$2,000,000,000
Outstanding Balance	\$1,620,063,142
Product(s)	20-30 FRM
Issue Month	Jan 2020
More Details	

Edit 3600 – Guaranty Fee Mismatch

Guaranty Fee After APM (Guaranty Fee After APM) must match the Guaranty Fee associated with the Contract Number (Commitment Number) for this loan. [SID: 374, 399]

Edit 3600 will be issued when the Guaranty Fee (GFee) after APM provided in Loan Delivery does not match the GFee in the contract for that product and note rate. Review the GFee after APM in Loan Delivery against the GFee in PE – MBS to determine if an update is needed to the GFee, loan, or contract.

EXAMPLE: In this example, the Gfee after APM in Loan Delivery is 48.00 for a 30-year Fixed Rate loan with a note rate of 3.000. However, the GFee in PE – MBS is 46.00. Review the loan and contract information to determine if an update is needed either in Loan Delivery or in PE – MBS:

Loan Delivery

Contract/Commitment		
MBS Investor Information		
Contract Number	Ownership Percent	Default Loss P
1	100	Investor
Remittance Day	Remittance Type	Same Month P
18	3 - Scheduled/Schedu	No
Guaranty Fee Information		
Per Contract	After APM	After BuyUp/B
48.00	48.00	50.00

PE - MBS

Guaranty Fee and Coupon Price Adjustment			
▲ 20YR FRM			
	Coupon	Guaranty Fee	Coupon Price Adjustment
	2.000	45.00	0.000
	2.500	45.00	0.000
	3.000	45.00	0.000
▲ 30YR FRM			
	Coupon	Guaranty Fee	Coupon Price Adjustment
	2.000	46.00	0.000
	2.500	46.00	0.000
	3.000	46.00	0.000
	3.500	46.00	0.000



Edits 3604 – Guaranty Fee Mismatch after BU/BD

The difference between the Guaranty Fee Percent After Buyup/Buydown of ([Guaranty Fee After Buyup Buydown]) and Guaranty Fee After APM of ([Guaranty Fee After Alternate Payment Method]) is more than 25 basis points or is greater than the Max Buyup Amount of ([Max Buyup Amount]) associated with the Contract Number ([Commitment Number]) for this loan. [SID: 374, 375, 399]

Edit 3604 will be issued when the difference between the Guaranty Fee (GFee) after Buyup/Buydown (BU/BD) and the GFee after Alternate Payment Method (APM) on the loan is greater than 25 basis points OR exceeds the Maximum Buyup on the Commitment.

Review the GFees in Loan Delivery against the GFees in PE – MBS to determine if an update is needed to the GFee, loan, or contract.

EXAMPLE: The difference between the Guaranty Fee Percent (after Buyup/Buydown) of (0.68) and Guaranty Fee After Alternate Payment Percent (APM) of (0.4000) is more than 25 basis points or is greater than the Max Buyup Amount of (0.250) on the MBS Commitment (P123AB) for this loan.

In this example, the loan that received the edit had a note rate of 3.5000 and the GFee after BU/BD of 68.00, which is over 25 bps more than the GFee after APM of 40.00. The GFee after BU/BD can be updated on the GFee – BU/BD tab in Loan Delivery.

Loan Delivery

Guaranty Fee After BuyUp / BuyDown Calculation	
BUBD Option: Customized Fit	
Contract Number	Guaranty Fee
▼ P123AB	40.00
Note Rate	Guaranty Fee After BU/BD (Basis Points)
3.2500	40.00
3.3750	62.50
3.5000	68.00
3.6250	68.00

Commitment Eligibility Frequently Asked Questions (FAQs):

Q1. How can I view the MBS commitment eligibility edits in Loan Delivery?

Effective February 24, 2020, several MBS commitment eligibility edits transitioned to warning severity and are displayed with other loan edits in Loan Delivery. Filters have been updated on the Edit Results tab to filter by Commitment Eligibility category.

Q2. How do I clear an edit after making an update in PE – MBS or Loan Delivery?

Lenders will need to run edits in Loan Delivery to clear commitment-related edits once a change has been made in Loan Delivery or PE - MBS.



Q3. Can I export the Commitment Eligibility edits?

The Edits CSV export file in Loan Delivery will contain the commitment eligibility edits. An Edit Category column has been added to identify the commitment-related edits and to sort/filter them more easily.

Q4. Will I still receive an email from Acquisitions Operations when there is a commitment/contract-related issue identified after submission?

Yes. Additional commitment/contract-related edits will be added to Loan Delivery over the coming months to address commitment balance- and product-related issues. The downstream edits will remain to identify any issues prior to the pool being closed and a notification will be sent from Acquisitions Operations with details about the issues that need to be resolved.

Q5. Can I still submit a pool with a commitment/contract-related edit when the severity is warning?

Yes. The loans can be submitted in Loan Delivery. The loan will still receive an edit downstream and you will receive a notification from Acquisitions Operations to resolve the issue. At a future date, the edits will be transitioned to fatal severity and will need to be resolved prior to submission.

Q6. Are the commitment edits in the Loan Delivery Test Environment (LDTE)?

Those edits are not in the LDTE at this time.