

# **Streamline Investor Reporting with LSDU Self-Serve Capabilities**

## **Fannie Mae Transition Guide**

*Updated on September 14, 2023*



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## Document Change History

Document Change History		
Published Date	Modified Section	Description
June 1, 2023	All Sections	Initial document publication
September 14, 2023	PHASE 3 – SURF Retirement	Additional LAR File Types included in the examples.



# Introduction

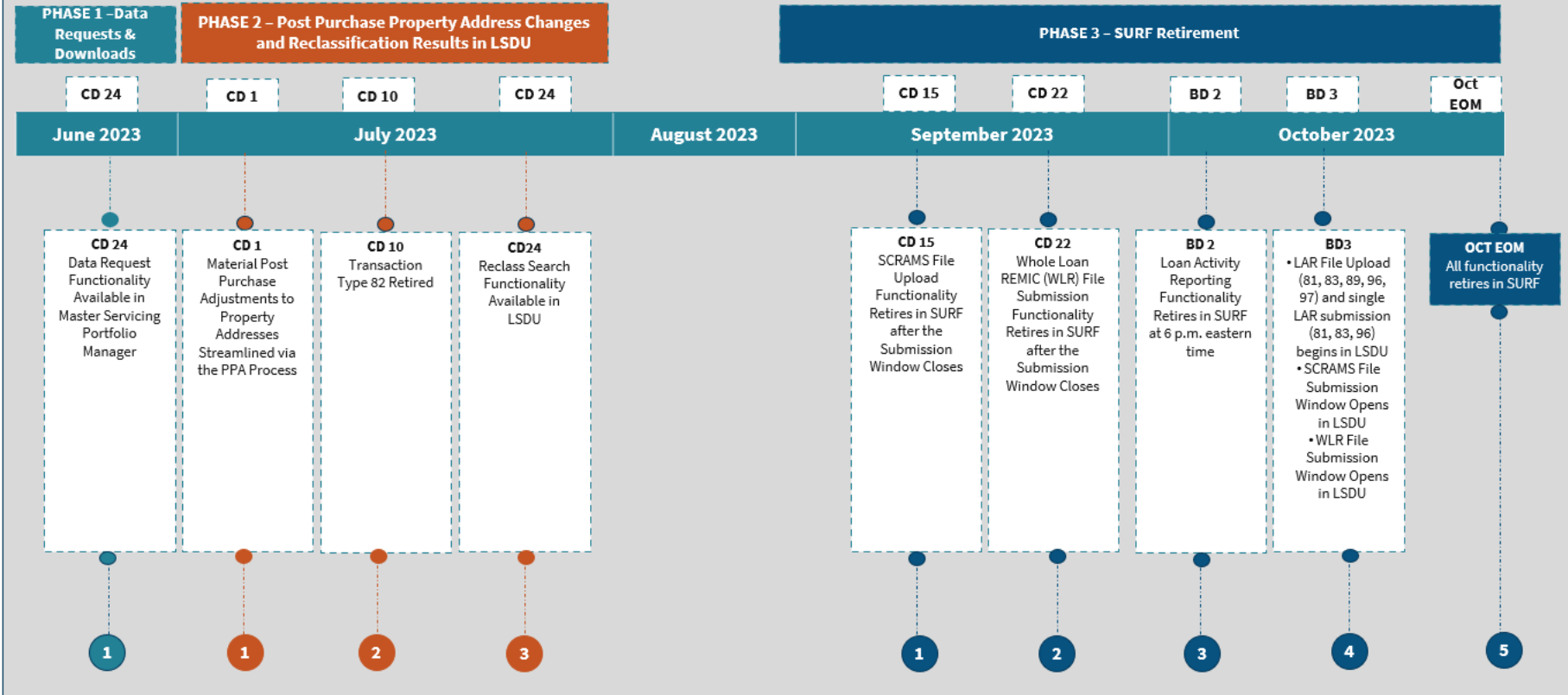
As announced in [Lender Letter LL-2021-12: Advance Notice of Changes to Investor Reporting Processes and Systems](#), Fannie Mae is working to streamline and centralize key functionality and servicing data in the Loan Servicing Data Utility (LSDU) application and the Master Servicing Portfolio Manager and retire the Servicer's Reconciliation Facility™ (SURF™).

As part of this effort, Fannie Mae will implement additional functionality in LSDU and Master Servicing Portfolio Manager in three phases. This transition guide document provides servicers with information on the key milestones and activities for each implementation phase.

- **PHASE 1 – Master Servicing Portfolio Manager Data Requests and Downloads**
  - Effective June 24, 2023, servicers can use the new Master Servicing Portfolio Manager Data Request capability to download the following report data. The reports will continue to be available in SURF until SURF is retired on October 31, 2023.
    - Enhanced Download
    - ARM Download
    - Fixed Download
    - Enhanced SS Whole Loans Download
    - Enhanced MBS Download
    - PFP New Issues Report & Download
    - PFP Book Report & Download
  
- **PHASE 2 – Post-Purchase Property Address Changes and Reclassification Results in LSDU**
  - Effective July 1, 2023, Transaction Type 82 (that allows servicers to adjust certain data elements related to property addresses on Fannie Mae loans) will be retired. If a servicer submits a Transaction Type 82, Fannie Mae will not process the transaction, and an invalid transaction message will be displayed in LSDU. Going forward, servicers must submit a post-purchase adjustment (PPA) request via the Loan Data Change tab in LSDU to make material adjustments to property addresses.
  - Effective July 10, 2023, servicers can use the new LSDU Reclass Search capability to view and download data on mortgage loans that have been reclassified and removed from MBS pools. The PFP Reclassification Report and the MBS Reclassification Purchase Advice Report will continue to be available in SURF until SURF is retired on October 31, 2023.
  
- **PHASE 3 – SURF Retirement**
  - Effective October 4, 2023, the capability to submit and correct loan activity reports in SURF will be retired. Servicers must use the new functionality in LSDU to submit all LAR types individually or in bulk for original submission or correction of a previous submission, as well as to submit REMIC whole loan files and files involving mortgage loans requiring changes pursuant to the Servicemembers Civil Relief Act



## Fannie Mae Transition Month Timeline for Streamline Investor Reporting with LSDU Self-Serve Capabilities (June – Oct 2023)





## PHASE 1 – Master Servicing Portfolio Manager Data Requests and Downloads

This section of the transition guide provides servicers with information on the key phase 1 milestones and activities. In phase 1, effective June 24, 2023, servicers can use the new Master Servicing Portfolio Manager Data Request capability to download key report data. The reports will continue to be available in SURF until SURF is retired on October 31, 2023.

Streamline Investor Reporting with LSDU Self-serve Capabilities: PHASE 1 - Master Servicing Portfolio Manager Data Requests and Downloads	
Key Milestone	Milestone Description
1 Saturday 6/24/2023 (June CD 24) Data Request Functionality Available in Master Servicing Portfolio Manager	<p><b><i>For the first time</i></b> servicers can use the new Master Servicing Portfolio Manager Data Request capability to download the following report data:</p> <ul style="list-style-type: none"> <li>• Enhanced Download</li> <li>• ARM Download</li> <li>• Fixed Download</li> <li>• Enhanced SS Whole Loans Download</li> <li>• Enhanced MBS Download</li> <li>• PFP New Issues Report &amp; Download</li> <li>• PFP Book Report &amp; Download</li> </ul> <p><b>NOTE:</b> <i>The reports will continue to be available in SURF until SURF is retired in October 2023.</i></p>

## PHASE 2 – Post Purchase Property Address Changes and Reclassification Results in LSDU

This section of the transition guide provides servicers with information on key phase 2 milestones and activities.



## Streamline Investor Reporting with LSDU Self-serve Capabilities: PHASE 2 - Post-Purchase Property Address Changes and Reclassification Results in LSDU

Key Milestone		Milestone Description
1	Monday 7/01/2023 (July CD1)  Material Post Purchase Adjustments to Property Addresses Streamlined via the PPA Process	<p><b><i>For the first time</i></b> servicers must submit a post-purchase adjustment (PPA) request via the Loan Data Change tab in LSDU to make material adjustments to property addresses.</p> <p><b>NOTE:</b> <i>The Transaction Type 82 (that allows servicers to adjust certain data elements related to property addresses on Fannie Mae loans) will be retired after 5:00 pm Eastern Time on Friday, July 7, 2023.</i></p>
2	Friday 07/10/2023 (July CD10)  Transaction Type 82 Retired	<p>The Transaction Type 82 (that allows servicers to adjust certain data elements related to property addresses on Fannie Mae loans) will be retired. If a servicer submits a Transaction Type 82, Fannie Mae will not process the transaction, and an invalid transaction message will be displayed in LSDU beginning Monday, July 10, 2023.</p> <p><b>NOTE:</b> <i>All Transaction Type 82, regardless of submission channel, will not be processed.</i></p>
3	Monday 7/24/2023 (July CD24)  Reclass Search Functionality Available in LSDU	<p><b><i>For the first time</i></b>, servicers can use the Reclass Search tab in LSDU to view and download data on mortgage loans that have been reclassified and removed from pools. Twenty-four months of historical reclass data will be available.</p> <p><b>NOTE:</b> <i>The PFP Reclassification Report and the MBS Reclassification Purchase Advice Report will continue to be available in SURF until SURF is retired on October 31, 2023.</i></p>



## PHASE 3 – SURF Retirement

This section of the Transition Guide provides servicers with additional information on the key phase 3 milestones and activities to retire SURF.

- **Pre-Transition Period (June – August 2023):** Servicers must complete these activities before the effective date of the changes to prepare for implementation.
- **Transition Period (TP) (September - October 2023):** Servicers must complete these activities in the period that the changes become effective.
- **Post Transition Period:** The last day SURF will be available for Servicer use will be October 31, 2023.

### Pre-Transition Period

The implementation checklist on the following pages outlines the activities of the pre-transition preparation period. Servicers are encouraged to use the checklist to ensure readiness for Phase 3 – SURF Retirement.

## IMPLEMENTATION CHECKLIST (PHASE 3 - SURF RETIREMENT)

*Please complete the following sections: As of Date; Completed by Name and Title; Customer Confirmed Date; Current Status; Comments (if applicable)*

<b>Servicer Name:</b>		<b>Servicer 5-Digit SSN:</b>	
<b>As of Date:</b>	<b>Completed by:</b>	<b>Name:</b>	
		<b>Title:</b>	
<b>Key Milestone</b>	<b><u>Customer Confirmed Date</u></b> (Enter Date Planned to Complete)	<b><u>Current Status</u></b> (Select: <i>On Track, Delayed, Significant Issues, Completed, Not Started or Not Applicable</i> )	<b>Comments</b> (Please include any additional details regarding your current status)
<b>Servicer Engagement</b>			
Attend Training Webinar (Recorded On-Demand)			
<b>Servicer Analysis</b>			
Review Fannie Mae Process Requirements			
Develop Internal Communications Plan			
Analyze Business Process Impacts			
Analyze Technology Impacts			
Define Servicer Requirements			





<b>Servicer Development (if applicable)</b>			
Develop Technology Changes			
Create Servicer Test Plan			
<b>Servicer Testing (if applicable)</b>			
Perform Functional Testing for Servicer-Developed Functionality			
Perform Integration Testing for Servicer Developed Functionality			
<b>Fannie Mae Integration Testing</b>			
Review Fannie Mae Integration Test Plan			
Review Fannie Mae Recommended Integration Test Scenarios			
Participate in Fannie Mae August 2023 Integration Testing			
Participate in Fannie Mae September 2023 Integration Testing			
<b>Operational Readiness</b>			
Develop Internal Training Materials			
Document Policy and Procedure Updates			
Document Technology/Process Controls Updates to ensure risks are mitigated			
Complete Internal Go Live Assessment			

## Transition Period (September - October 2023)

The third implementation phase, SURF Retirement, will begin in September 2023. The implementation will provide servicers the ability to submit all single LAR submission transactions and file uploads in LSDU. This functionality will no longer be available in SURF.

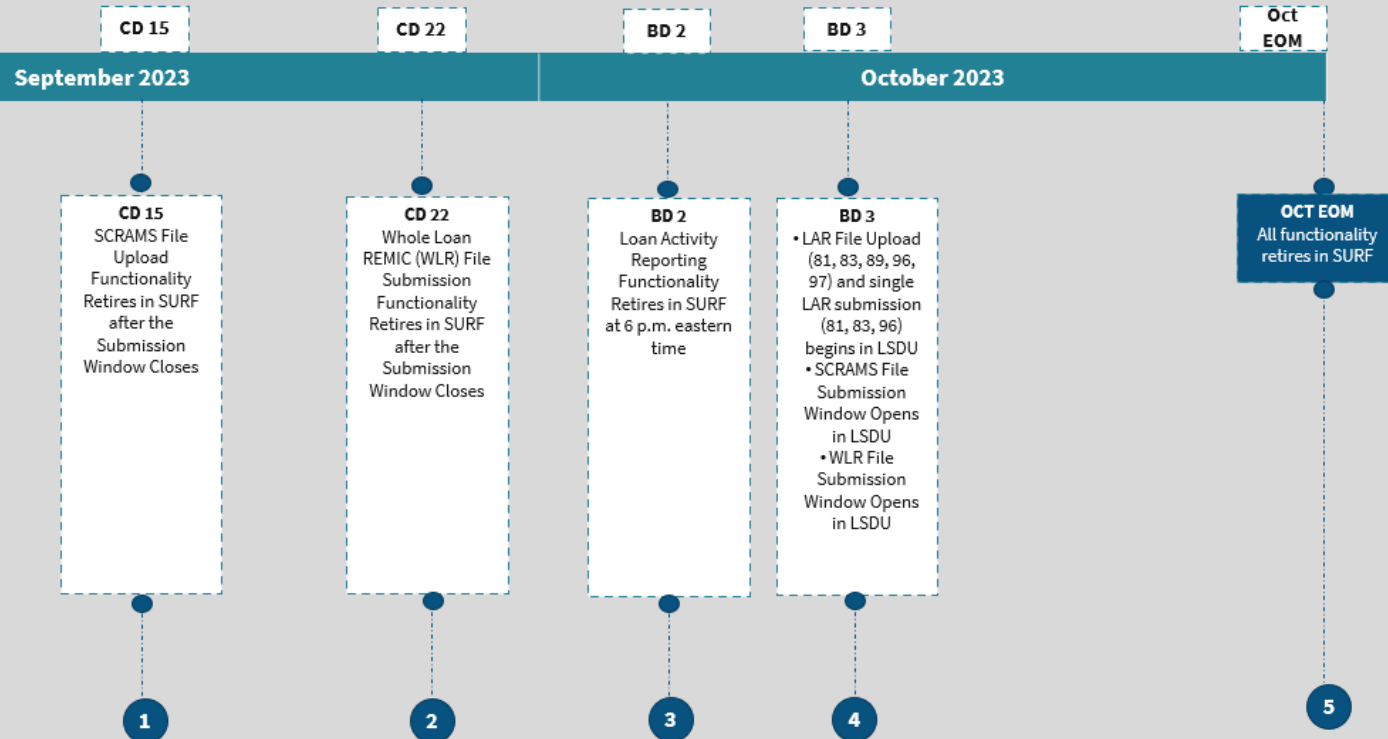
Servicers must report loan activity for the September 2023 reporting period using SURF, then report loan activity for the October 2023 reporting period using LSDU. Fannie Mae will accept corrections to loan activity associated with the September 2023 reporting period through 5 p.m. eastern time on the second business day of October 2023 for Actual/Actual (A/A), Scheduled/Actual (S/A), and Scheduled/Scheduled (S/S) remittance type loans.

The diagram on the following page outlines key milestones associated with the three implementations. Each key milestone is described in the table that follows the diagram.



# Streamline Investor Reporting with LSDU Self-serve Capabilities: PHASE 3 - SURF Retirement

## PHASE 3 - SURF Retirement





**Streamline Investor Reporting with LSDU Self-serve Capabilities: PHASE 3 - SURF Retirement**

Key Milestone		Pre-Transition Period	Transition Period
1	<p>Friday 9/15/2023 (Sept CD15)</p> <p>SCRAMS File Upload Functionality Retires in SURF after the Submission Window Closes</p>	<p><b><i>This will be the last time</i></b> servicers use the SURF SCRAMS file upload feature to submit files to Fannie Mae. Per the current process, the SCRAMS file submission window is the first calendar day to the fifteenth calendar day of the month.</p> <p><b>Note:</b> <i>The October 2023 SCRAMS file submission window will re-open on the first calendar day of October 2023 in LSDU.</i></p>	
2	<p>Friday 9/22/2023 (Sept CD22)</p> <ul style="list-style-type: none"> <li>Whole Loan REMIC (WLR) File Submission Functionality Retires in SURF after the Submission Window Closes</li> </ul>	<p><b><i>This will be the last time</i></b> servicers use the SURF WLR file upload feature to submit files to Fannie Mae. Per the current process, the WLR file submission window is the first calendar day to the twenty first calendar day of the month.</p> <p><b>NOTE:</b> <i>The October 2023 WLR file submission window will re-open on the first calendar day of October 2023 in LSDU.</i></p>	
3	<p>Tuesday 10/3/2023 (Oct BD2)</p> <ul style="list-style-type: none"> <li>Loan Activity Reporting Functionality Retires in SURF at 6 p.m. eastern time</li> </ul>	<p><b><i>This will be the last time</i></b> servicers use the SURF upload feature to submit LARs to Fannie Mae. Per the current process, the SURF upload feature will be unavailable after 3pm eastern time.</p> <p><b><i>This will be the last time</i></b> servicers use the SURF User Interface (UI) to submit corrections and single LAR transactions to Fannie Mae. Per the current process, the SURF UI corrections and single LAR submission feature will be unavailable after 5 p.m. eastern time.</p> <p>Per the current process, Fannie Mae’s investor reporting system will accept and hold all October 2023 reporting transactions until October BD3 when they will be processed in the order in which they were received.</p>	



### Streamline Investor Reporting with LSDU Self-serve Capabilities: PHASE 3 - SURF Retirement

Key Milestone		Pre-Transition Period	Transition Period
4	<p>Wednesday 10/4/2023 (Oct BD3)</p> <ul style="list-style-type: none"> <li>LAR File Upload (81, 83, 89, 96, 97) and single LAR submission (81, 83, 96) begins in LSDU</li> <li>SCRAMS File Submission Window Opens in LSDU</li> <li>WLR File Submission Window Opens in LSDU</li> </ul>		<p><b><i>For the first time</i></b>, servicers must use the LSDU File Upload tab to submit LAR files (81, 83, 89, 96 and 97) to Fannie Mae.</p> <p><b><i>For the first time</i></b>, servicers must use the Submit LAR function to submit single LAR (81, 83 and 96) submission to Fannie Mae.</p> <p><b><i>For the first time</i></b>, servicers must use the LSDU File Upload tab to submit SCRAMS files to Fannie Mae.</p> <p><b><i>For the first time</i></b>, servicers must use the LSDU File Upload tab to submit WLR files to Fannie Mae.</p> <p><b>NOTE:</b> <i>The SURF UI functionality to upload files and enter/correct transactions will be disabled. Although servicers will no longer be able to enter transactions or upload files via the SURF UI, they will still be able to continue to view and download reports in SURF until SURF is retired at the end of October 2023.</i></p>
5	<p>Tuesday 10/31/2023 (Oct EOM)</p> <ul style="list-style-type: none"> <li>All functionality retires in SURF</li> </ul>		<p><b><i>This will be the last time</i></b> servicers use SURF to view and download reports.</p>

## Post Transition Period

The last day SURF will be available for Servicer use will be October 31<sup>st</sup>, 2023.



## Appendix A: Summary of SURF Functionality Retirement

The table below provides a summary of the SURF functionality and the new location where that functionality will be available.

Original Application	Original Report / Functionality	Last Date in SURF	New Application	New Location	Date Available in New Application
<b>SURF</b>	P&I MBS Reimbursement Report	Tuesday, October 31, 2023	LSDU	The 'Cash Position' tab	Complete
<b>SURF</b>	Enhanced Download	Tuesday, October 31, 2023	Master Servicing Portfolio Manager	The 'Data Request' tab	Friday, June 23, 2023
<b>SURF</b>	ARM Download	Tuesday, October 31, 2023	Master Servicing Portfolio Manager	The 'Data Request' tab	Friday, June 23, 2023
<b>SURF</b>	Fixed Download	Tuesday, October 31, 2023	Master Servicing Portfolio Manager	The 'Data Request' tab	Friday, June 23, 2023
<b>SURF</b>	Enhanced SS Whole Loans Download	Tuesday, October 31, 2023	Master Servicing Portfolio Manager	The 'Data Request' tab	Friday, June 23, 2023
<b>SURF</b>	Enhanced MBS Download	Tuesday, October 31, 2023	Master Servicing Portfolio Manager	The 'Data Request' tab	Friday, June 23, 2023
<b>SURF</b>	PFP New Issues Report & Download	Tuesday, October 31, 2023	Master Servicing Portfolio Manager	The 'Data Request' tab	Friday, June 23, 2023
<b>SURF</b>	PFP Book Report & Download	Tuesday, October 31, 2023	Master Servicing Portfolio Manager	The 'Data Request' tab	Friday, June 23, 2023
<b>SURF</b>	Portfolio Summary Report	Tuesday, October 31, 2023	Master Servicing Portfolio Manager	The 'Data Request' tab	September 30, 2023
<b>SURF</b>	LAR 83 Correction Report	Tuesday, October 31, 2023	Retired	No Longer Needed	No Longer Needed
<b>SURF</b>	LAR 96 Correction Report	Tuesday, October 31, 2023	Retired	No Longer Needed	No Longer Needed
<b>SURF</b>	Reclass Search Functionality	Tuesday, October 31, 2023	LSDU	'Loan Activity Search' tab	July 24, 2023
<b>SURF</b>	LAR 82 Property Address Changes	Tuesday, October 3, 2023	Retired	Retired	Retired
<b>SURF</b>	SCRAMS File Upload Functionality	Tuesday, October 3, 2023	LSDU	The 'LAR File Upload' tab	Wednesday, October 4, 2023
<b>SURF</b>	Whole Loan REMIC (WLR) File Submission Functionality	Tuesday, October 3, 2023	LSDU	The 'LAR File Upload' tab	Wednesday, October 4, 2023
<b>SURF</b>	LAR File Upload	Tuesday, October 3, 2023	LSDU	The 'LAR File Upload' tab	Wednesday, October 4, 2023
<b>SURF</b>	LAR 96, LAR 97, LAR 81, LAR 83, and LAR 89 Single Submission	Tuesday, October 3, 2023	LSDU	The 'LAR File Upload' tab	Wednesday, October 4, 2023