



Fannie Mae™

Default Management Reporting System (DMRS)

Invalid Loan Error Details Job Aid



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Purpose

The purpose of this document is to explain the Invalid Loan event failure reason in more detail. This understanding will allow all users to appropriately determine the reason for an Invalid Loan failure so that the event can be corrected and resubmitted to DMRS.

As a prerequisite to this job aid, DMRS users should be familiar with the Contextual Validation Failure Report job aid and should also have taken the Contextual Validation Failure Report training module, both of which can be found on the Fannie Mae DMRS webpage.

Invalid Loan Failure Overview

The Invalid Loan event failure is a failure reason for a DMRS event that, when occurs, can be found on the SQW2000 Contextual Validation Failure Report. These failures occur when the event reported cannot be associated to a loan that has been boarded in DMRS, or if the event is for a loan that Fannie Mae does not consider active or valid. The association of events to a loan is completed by comparing the 3 key data points reported in the Loan Boarded event to the same 3 key data points in all other events. The section below reviews these reasons in more detail and provides scenarios that explain the Invalid Loan failure.

- ⚠ Understanding the 3 key data points and the association of the data points in the Loan Boarded event to all other DMRS events is critical to understanding how to correct Invalid Loan failures. These topics are covered in more detail in the Contextual Validation Failure Report job aid and the Contextual Validation Failure Report training module. Users who are not familiar with these topics should review the available materials prior to reviewing the Invalid Loan Failure job aid.

As a reminder, the 3 key data points are: investor name, investor loan number, and property state.

Invalid Loan Scenarios

When a user determines that an event failed for the reason of “invalid loan”, there are 4 scenarios that could have caused the failure. Read the details below to gain an understanding of these scenarios.

1. The loan is no longer an active Fannie Mae loan or is not a valid Fannie Mae loan

This scenario most significantly impacts law firms when they are not aware of a loan repurchase or payoff, or if the firm’s record of the Fannie Mae loan number is not accurate. If the system does not recognize the Fannie Mae loan number as active and/or valid when reported by a law firm, the event will be rejected.

Steps for Resolution: In this instance, contact the servicer to determine the accurate disposition of the loan and obtain the correct Fannie Mae loan number. Do not continue reporting DMRS events on this loan as it is no longer a valid Fannie Mae loan.

If the servicer or law firm determines that the loan is in fact still an active Fannie Mae loan, and the reported investor loan number is valid, contact the Fannie Mae DMRS support team for assistance. The Fannie Mae DMRS team will research the loan to determine the correct status. If Fannie Mae determines that the loan status and investor loan number are valid and active, the law firm will be notified when the event can be resubmitted. If Fannie Mae research determines that the loan is not valid or active, no further action is needed from the law firm.

NOTE: If an event fails because the Fannie Mae loan was determined to be inactive or invalid, it will never show as reconciled on the Contextual Validation Failure report (SQW2000).

2. The Loan Boarded event has not been successfully reported

This scenario impacts servicers due to the failure of a Loan Boarded Event. For servicers, a Loan Boarded Event must be successfully reported to DMRS before any other events will be accepted for the loan.




Steps for Resolution: In this scenario, re-submit the Loan Boarded event to DMRS. Once the Loan Boarded event has passed event validation, all previously failed events can be re-submitted to DMRS. If the servicer's research determines that the Loan Boarded event should not be re-submitted to DMRS because the loan is not an active or valid Fannie Mae loan number, no further action is needed from the servicer.

3. Property State error

The property state reported in all events must match the property state reported in the Loan Boarded event.

Steps for Resolution: In this scenario, re-submit the failed event with the correct property state, to match the property state value reported in the Loan Boarded event.

It is rare that the property state data point reported in the Loan Boarded event would be incorrect. However, if research indicates that the property state that was reported in the Loan Boarded event is incorrect, contact the Fannie Mae DMRS support team for assistance. The Fannie Mae DMRS team will update the loan record with the correct property state. Once this occurs, all other events can be reported with the correct property state.

 **Hint:** This error is based on the property state, not the bankruptcy filing state. Make sure the correct state value was reported for this data point.

4. Investor Loan Number error

The investor loan number reported in all events must match the investor loan number reported in the Loan Boarded event.

Steps for Resolution: In this scenario, re-submit the failed event with the correct investor loan number, to match the investor loan number value reported in the Loan Boarded event.

It is rare that the investor loan number reported in the Loan Boarded event would be incorrect. However, if research indicates that the investor loan number reported in the Loan Boarded event is incorrect, contact the Fannie Mae DMRS support team for assistance. The Fannie Mae DMRS team will update the loan record with the correct loan number. Once this occurs, all other events can be reported with the correct investor loan number.

NOTE: In either scenario, if an event fails for this Invalid Loan scenario, it will never show as reconciled on the Contextual Validation Failure report (SQW2000).

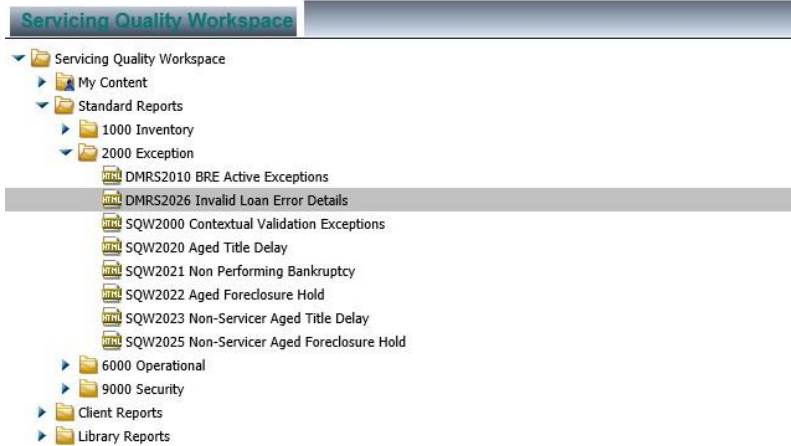
NOTE: If the Investor Code was reported incorrectly, the failure information will not appear anywhere in DMRS. This happens due to the fact that the investor code must show as Fannie Mae in order for Fannie Mae, or the servicer to have access to view any details about the event in the DMRS system. If a provider determines that events were reported with the incorrect investor code, correct the code to the Fannie Mae value, found on the Master Party Code list, and re-submit all events impacted.

The DMRS2026 Invalid Loan Error Details Report in DMRS will assist users in determining the exact scenario that caused the event to fail. Review the following sections for more information on the report.

Invalid Loan Error Details Report Overview

The DMRS2026 report was designed to assist users with researching the reason for an Invalid Loan failure. This report should only be used when the results of the Contextual Validation Exception Report, SQW2000, indicate the event has failed for the reason of "Invalid Loan" and the user is unsure why the Invalid Loan failure occurred.

The DMRS2026 report is located in the exceptions report folder.



The *DMRS Reports Job Aid* provides instruction for how to set report parameters to receive the desired results within the report. View the *DMRS Reports Job Aid* for more information on that topic, as well as scheduling reports, and report export features.

Understanding the Invalid Loan Error Details Report

Once the report appears, the results reflect the event failures for the reason of Invalid Loan, based on the parameters selected on the prior screen. The Invalid Loan Error Details report will always present the user with data as-of the date the report was pulled, not with data as-of the date each event failed.

The information below defines each column in the report.

DMRS2026 Invalid Loan Error Details													
Fannie Mae													
Provider Name	Event Name	Validation Failure Date	Submitted Investor Loan Number ID	Loan Boarded in System	Loan Boarded Date	Submitted Servicer Name	Servicer Name in System	Submitted Servicer Loan Number ID	Servicer Loan Number ID in System	Submitted Property State	Property State in System	Passed On FNMA Monthly File	Failed On FNMA Monthly File
Servicer 123	Foreclosure Referral Package sent to Attorney	10/12/2015	123671	Yes	11/14/2014	Servicer 123	Servicer ABC	123671	369316	GA	GA	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/12/2015	123672	Yes	11/14/2014	Servicer 123	Servicer ABC	123672	258205	VA	VA	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/12/2015	123674	No		Servicer 123	N/A Invalid Loan	123674	N/A Invalid Loan	NJ	N/A Invalid Loan	No	No
Servicer 123	Presale Action Completed	10/12/2015	123676	No		Servicer 123	N/A Invalid Loan	123676	N/A Invalid Loan	GA	N/A Invalid Loan	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/07/2015	1060288361	Yes		Servicer 123	Servicer 123	231312	1060288361	WA	MO	Yes	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/07/2015	1060288361	Yes	10/07/2015	Servicer 123	Servicer 123	231312	231312	WA	TX	Yes	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/05/2015	123585	Yes	11/14/2014	Servicer 123	Servicer 123	123585	123585	TX	NY	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/05/2015	123586	Yes	11/14/2014	Servicer 123	Servicer 123	123586	123586	TX	NY	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/05/2015	123587	Yes	11/14/2014	Servicer 123	Servicer 123	123587	123587	TX	NY	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/05/2015	123588	Yes	11/14/2014	Servicer 123	Servicer 123	123588	123588	TX	NY	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/05/2015	123589	Yes	11/14/2014	Servicer 123	Servicer 123	123589	123589	TX	GA	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/05/2015	123590	Yes	11/14/2014	Servicer 123	Servicer 123	123590	123590	TX	AL	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/05/2015	123591	Yes	11/14/2014	Servicer 123	Servicer 123	123591	123591	TX	UT	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/05/2015	123592	Yes	11/14/2014	Servicer 123	Servicer 123	123592	123592	TX	FL	No	No


- **Provider Name:** The name of the entity (for example: attorney, servicer, sub-servicer) that reported the event to DMRS.



- **Event Name:** The business name of the loan event that failed for the reason of “Invalid Loan” on the SQW2000 report.
- **Validation Failure Date:** The date the data point value that was submitted on the loan event item failed contextual validation.
- **Submitted Investor Loan Number ID:** The value submitted for the event in the Investor Loan ID field.
- **Loan Boarded in System:** Indicator that states if the loan, based on the unique Investor Loan ID, has been boarded (activated) in DMRS by the servicer.
- **Loan Boarded Date :** The date the loan was boarded (activated) in DMRS by the servicer. NOTE: This field will not be populated if the Loan Boarded in System column has the value of “No”.
- **Submitted Servicer Name:** The derived servicer name value submitted for the event based on the code reported for the servicer on the event.
- **Servicer Name in System:** The Servicer currently servicing the loan, according to DMRS data that has been reported.
- **Submitted Servicer Loan Number ID:** The value submitted for the event in the Servicer Loan ID field.
- **Servicer Loan Number ID in System:** The Servicer loan number of the servicer currently servicing the loan, according to DMRS data that has been reported.
- **Submitted Property State:** The value submitted for the event in the Property State field.
- **Property State in System:** The property state of the loan, according to DMRS data that has been reported.
- **Passed on FNMA Monthly File:** Indicator that states if the loan was successfully reported to DMRS on the active Fannie Mae loan file.
- **Failed on FNMA Monthly File:** Indicator that states if the loan was not successfully reported to DMRS on the active Fannie Mae loan file.

Using the Invalid Loan Error Details Report

Viewing the combination of data in columns of the Invalid Loan Error report determines which of the 4 failure scenarios have occurred. The Invalid Loan error may have appeared on the Contextual Validation Failure Report (SQW2000) for more than one reason. Therefore, examine all fields on the Invalid Loan Error report in order to remediate and resolve all failure reasons at once.

 It is important to note, that unlike the Contextual Validation Failure (SQW2000) report, items on the Invalid Loan Error report will not show as reconciled when the issue has been resolved. Unless otherwise noted in the Invalid Loan Scenarios section of this document, once a provider has determined the reason for the Invalid Loan error and re-submits the event, the Contextual Validation Failure (SQW2000) report will reflect the reconciliation of the previously failed event.

1. The loan is no longer an active Fannie Mae loan or is not a valid Fannie Mae loan

This step applies to Firms only. Servicers start at scenario 2.

First, review the Loan Boarded in System column. If the value in this column is “Yes”, scenario 1 does not apply. Continue to scenario 3. If the value in this column is “No”, next view the last 2 columns of the report.

If both columns have the indicator value of “No”, the loan number has not been provided to the DMRS system as an active and valid Fannie Mae loan. Review the Action Needed portion of this scenario to determine how to proceed.



If both of the columns have the indicator value of “Yes”, or if the Passed on FNMA (Fannie Mae) monthly file column has a value of “Yes”, this scenario is not what caused the event to fail. Continue to scenario 3.

If the Failed on FNMA Monthly file column has a value of “Yes”, contact the Fannie Mae DMRS Support Team for assistance.

Provider Name	Event Name	Validation Failure Date	Submitted Investor Loan Number ID	Loan Boarded in System	Loan Boarded Date	Submitted Servicer Name	Servicer Name in System	Submitted Servicer Loan Number ID	Servicer Loan Number ID in System	Submitted Property State	Property State in System	Passed On FNMA Monthly File	Failed On FNMA Monthly File
ABC Law Firm	Foreclosure Referral Package sent to Attorney	10/12/2015	123674	No		Servicer 123	N/A Invalid Loan	123674	N/A Invalid Loan	NJ	N/A Invalid Loan	No	No
ABC Law Firm	Presale Action Completed	10/12/2015	123676	No		Servicer 123	N/A Invalid Loan	123676	N/A Invalid Loan	GA	N/A Invalid Loan	No	No

Action Needed: In the example above, the firm should contact the servicer to determine the accurate disposition of the loan and obtain the correct Fannie Mae loan number. Resubmit the “Foreclosure Referral Package sent to Attorney” and the “Presale Action Completed” events with the correct Fannie Mae loan number. If it is determined that the events submitted were for loans that are no longer active or are not valid Fannie Mae loans. No action is needed to correct the failures.

2. The Loan Boarded event has not been successfully reported

This scenario applies to Servicers only. Firms continue to scenario 3.

Review the Loan Boarded in System and Loan Boarded Date columns. If the value is “Yes” in the Loan Boarded in System column and there is a date value in the Loan Boarded Date column, scenario 2 does not apply. Continue to scenario 3.

If the value is “No” in the Loan Boarded in System column, the loan has not been successfully boarded by the law firm or servicer. If the value is “Yes” in the Loan Boarded in System column, but there is not a date value in the Loan Boarded Date column, data has only been reported by the firm, and the Loan Boarded event is still needed from the servicer. Because this event activates the loan in DMRS, the Loan Boarded event must be reported in order for the system to accept any other event from the servicer.

Review the Action Needed section of this scenario to determine how to proceed.

Provider Name	Event Name	Validation Failure Date	Submitted Investor Loan Number ID	Loan Boarded in System	Loan Boarded Date	Submitted Servicer Name	Servicer Name in System	Submitted Servicer Loan Number ID	Servicer Loan Number ID in System	Submitted Property State	Property State in System	Passed On FNMA Monthly File	Failed On FNMA Monthly File
Servicer 123	Foreclosure Referral Package sent to Attorney	10/12/2015	123674	No		Servicer 123	N/A Invalid Loan	123674	N/A Invalid Loan	NJ	N/A Invalid Loan	No	No
Servicer 123	Presale Action Completed	10/12/2015	123676	No		Servicer 123	N/A Invalid Loan	123676	N/A Invalid Loan	GA	N/A Invalid Loan	No	No

Action Needed: In the example above, the servicer should confirm that the loan should in fact be boarded to DMRS, and then re-submit the Loan Boarded event. Once the Loan Boarded event is successfully reported, the “Foreclosure Referral Package sent to Attorney” and the “Presale Action Completed” events should be re-submitted. If it is determined that the events submitted were for loans that are no longer active or are not valid Fannie Mae loans. No action is needed to correct the failures.

3. Property Stateerror

View the 2 columns on the report pertaining to property state: Submitted Property State and Property State in System. If the values within these columns match, scenario 3 does not apply. Continue to scenario 4.

If the values within these columns do not match, the event listed in the Event Name column was considered invalid because the property state did not match the property state that activated the loan (via the Loan Boarded event).



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Provider Name	Event Name	Validation Failure Date	Submitted Investor Loan Number ID	Loan Boarded in System	Loan Boarded Date	Submitted Servicer Name	Servicer Name in System	Submitted Servicer Loan Number ID	Servicer Loan Number ID in System	Submitted Property State	Property State in System	Passed On FNMA Monthly File	Failed On FNMA Monthly File
Servicer 123	Foreclosure Referral Package sent to Attorney	10/12/2015	123671	Yes	11/14/2014	Servicer 123	Servicer ABC	123671	369316	GA	GA	No	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/12/2015	123672	Yes	11/14/2014	Servicer 123	Servicer ABC	123672	258205	VA	VA	No	No

For example, in the first row below, the property state submitted on the Foreclosure Referral Package sent to Attorney event on 10/7/2015 does not match the property state in the system, which was established with successful reporting of the Loan Boarded event. Review the Action Needed section of this scenario to determine how to proceed.

NOTE: If a provider determines that the property state reported in the Loan Boarded event is incorrect, contact the DMRS Support Team for assistance.

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Fannie Mae

Provider Name	Event Name	Validation Failure Date	Submitted Investor Loan Number ID	Loan Boarded in System	Loan Boarded Date	Submitted Servicer Name	Servicer Name in System	Submitted Servicer Loan Number ID	Servicer Loan Number ID in System	Submitted Property State	Property State in System	Passed On FNMA Monthly File	Failed On FNMA Monthly File
Servicer 123	Foreclosure Referral Package sent to Attorney	10/07/2015	1060288361	Yes		Servicer 123	Servicer 123	231312	1060288361	WA	MO	Yes	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/07/2015	1060288361	Yes	10/07/2015	Servicer 123	Servicer 123	231312	231312	WA	TX	Yes	No

Action Needed: The Foreclosure Referral Package sent to Attorney event should be resubmitted to DMRS with the correct property state. When this occurs, the Invalid Loan failure, that was found on the Contextual Validation Failure Report (SQW2000), will show as reconciled. (See also the Data Error resolution section of this job aid).

4. Investor Loan Number error

View the column on the report called Submitted Investor Loan Number ID. If the value within this column matches the correct investor loan number, according to your system of record, scenario 4 does not apply; contact DMRS Support for assistance.

If the value within this column does not match, the correct investor loan number, according to your system of record, the event was considered invalid because the investor loan number reported in the event did not match the investor loan number that activated the loan (via the Loan Boarded event). Review the Action Needed section of this scenario to determine how to proceed.

DMRS2026 Invalid Loan Error Details

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Provider Name	Event Name	Validation Failure Date	Submitted Investor Loan Number ID	Loan Boarded in System	Loan Boarded Date	Submitted Servicer Name	Servicer Name in System	Submitted Servicer Loan Number ID	Servicer Loan Number ID in System	Submitted Property State	Property State in System	Passed On FNMA Monthly File	Failed On FNMA Monthly File
Servicer 123	Foreclosure Referral Package sent to Attorney	10/07/2015	1060288361	Yes		Servicer 123	Servicer 123	231312	1060288361	WA	MO	Yes	No
Servicer 123	Foreclosure Referral Package sent to Attorney	10/07/2015	1060288361	Yes	10/07/2015	Servicer 123	Servicer 123	231312	231312	WA	TX	Yes	No

Action Needed: In the example above, the provider should re-submit the event using the correct investor loan number for the failed event. However, when this occurs, the Invalid Loan failure that was found on the Contextual Validation Failure Report (SQW2000) will not show as reconciled because the investor loan numbers will not match. (See also the Data Error resolution section of this job aid). No action is needed to correct the failures on the report that were submitted under the incorrect Investor Loan Number.



NOTE: If a provider determines that the property state reported in the Loan Boarded event is incorrect, contact the DMRS Support Team for assistance.

Data Error Resolution

After the cause of each failure has been determined, make note of the correction needed for each event and then follow the steps below to correct the problem and submit the event successfully.

1. Make corrections to the source system or DMRS file, as needed, so that the data reported meets the file specifications and matches the 3 key data points for the loan.
2. Contact Fannie Mae, as needed, to resolve changes to the loan.
3. Resubmit the event through your preferred submission method as soon as possible.

Additional Questions

Any questions about delays that cannot be answered by this document should be sent to the Fannie Mae DMRS support team.

- Servicers: dms_support@fanniemae.com
- MDC Law Firms: dms_attysupport@fanniemae.com