2021 Archive: Loan Delivery Release Notes

Quick Guide for Loan Delivery Enhancements

December 16, 2021

This Loan Delivery Enhancements guide provides access to Loan Delivery updates from 2021 in an easy-to-read format all in one document.

Looking for business rules updates? Review the LD Edit Change Effective Date column on the Edits_LD tab in the Business Rules Dictionary for a summary of this year's business rule updates.

◀◀ In Case You Missed It

Effective Date	Impacted Area	Description
Jan. 25, 2021	Edit Updates	See the LD Edit Change Effective Date column in the Loan Delivery Business Rules for a listing of effective edit updates including: • Edits related to Interest Rate, Original Term, Servicing Marketplace™ (SMP), Credit Score, Property-Project Type, Affordable, Counseling, Construction-to-Permanent (CtoP), Property Data, and Underwriting changing from warning to fatal severity. • New warning edits related to UPB, Mortgage Insurance (MI), Address, Borrower, Reference Data, Commitment, DU Compare, Debt-To-Income (DTI), Recast.
February 1	Auto-Derive Single-width manufactured homes SFC	As announced in Selling Guide announcement, SEL-2020-07, all eligible loans secured by a single-width manufactured home must be delivered with Special Feature Code (SFC) 235 and 791. The following data elements must also be included in Loan Delivery: • ConstructionMethodType (Sort ID 51): Manufactured • ManufacturedHomeWidthType (Sort ID 33): SingleWide

		Loan Delivery will auto-derive both SFC 235 and 791 based on the above delivered data elements and implement edits to support the Feb. 1, 2021 delivery date of loans secured by single-width manufactured homes.
February 22	Edit Updates	See the LD Edit Change Effective Date column in the Loan Delivery Business Rules for a listing of effective edit updates including: • New warning edits related to UPB, MI, Original Term, and DU Compare. • Edits related to UPB, MI, Loan-to-Value – Combined Loan-to-Value (LTV-CLTV), Borrower, Payment, SMP, and Property-Project Type changing from warning to fatal severity.
March 22	Edit Updates	See the LD Edit Change Effective Date column in the Loan Delivery Business Rules for a listing of effective edit updates including: • New warning edits related to Address, Loan Amount, LTV, Escrow, MI, DU Compare, Loan Program, Borrower, Appraisal, Lender, Property-Project Type, Entity, Investor, SMP, and Servicing Released Premium (SRP). • Edits related to UPB, Original Term, Loan Amount, MI, SMP, and Reference Data changing from warning to fatal severity.
April 1	Edit Updates	As announced in Lender Letter - LL-2021-08, we are updating our policies to require that any loan secured by a second home or investment property be delivered as a Desktop Underwriter® loan with an Approve/Eligible recommendation. These policies are effective for whole loans submitted to our Loan Delivery system on or after April 1, 2021, and for loans delivered into MBS pools with issue dates on or after April 1, 2021. After this date, Loan Delivery will apply a "Fatal" error for loans that do not meet the above requirements.
April 19	Edit Updates	See the LD Edit Change Effective Date column in the Loan Delivery Business Rules for a listing of effective edit updates including: • New warning edits related to Automated Underwriting, MI, and Certification. • Edits related to Payment, MI, Interest Rate, Amortization, Adjustable-Rate Mortgage (ARM), UPB, Underwriting, Loan Purpose, LTV-CLTV, Entity, Lien Type, Automated Underwriting, Certification, SMP, Project-Property Type, and DU Compare changed from warning to fatal severity.
April 19	Mortgage Revenue Bond (MRB) Indicator	For our Housing Finance Agency lenders that deliver Mortgage Revenue Bond (MRB) pools, an MRB indicator has been added to the Pool Details page in Loan Delivery. The MRB Indicator will default to "No" for all pools at import. Lenders delivering loans with contracts designated with the Bond Type of MRB should set this indicator to "Yes" for MRB pools

		before running edits. Edits will validate the loan-level contract data matches the MRB indicator for the pool (MRB loans and non-MRB loans cannot be combined in a pool).
April 19	Update and Update All Functionality	The "Update" and "Update All" functionality will be updated to add an option to remove values from the Warehouse Lender and Wire Nickname fields for whole loans and MBS. A new "DELETE" option is provided in the drop-down menu for the two fields and selecting it will remove the values from those fields.
May 24	Edit Updates	See the LD Edit Change Effective Date column in the Loan Delivery Business Rules for a listing of effective edit updates including: • New warning edits related to Address, Commitment, Closing Data, LTV, LTV-CLTV, MI, Original Term, and UPB. • Edits related to Interest Rate, LTV, Loan Program, Property-Project Type, Credit Score, and Appraisal changing from warning to fatal severity.
May 24	Custodian Financial Institution Numbers (FINs)	The Loan Delivery Help section and "Other Resources" on the Loan Delivery Learning Center page has been updated with a link for the available Custodian FINs.
May 24	Whole Loan Transfer Option	The transfer functionality for whole loans has been updated to display only active commitments as an available option in the drop-down list in the transfer window. Previously, all commitments (including expired and closed commitments) were displayed.
June 1	Commitment Edit Product Update	Whole loan commitment edit 3015 was updated to validate that whole loans secured by investment properties are delivered against Investment Property commitments in Pricing & Execution-Whole Loan® (PE-Whole Loan).
June 5	RefiNow Edits	As announced in Lender Letter – LL–2021-10, a new refinance option – RefiNow - will enable eligible borrowers to refinance at a lower interest rate and reduce their monthly mortgage payment. See the category column in the Loan Delivery Business Rules for a listing of RefiNow edits.
June 21	Edit Updates	See the LD Edit Change Effective Date column in the Loan Delivery Business Rules for a listing of effective edit updates including: • Edits related to High Loan-to-Value (LTV) Refi and eMortgage changing from warning to fatal severity. • New warning edits related to Consistency, Payment, ARM, and Terms.
July 19	Whole Loan Enhancements	Enhancements to provide additional transparency into the whole loan delivery process, including a self-service model to handle exceptions as they occur in real time. The updates relate to post-submission exceptions that may have previously

required manual resolution with Fannie Mae's Acquisition Operations team (there will be no changes to the import or loan submission process in Loan Delivery). The new features include:

- Ability to transfer or cancel certification on a submitted loan prior to it being purchased
  - Lenders will be able to manage loans independently and will no longer need to contact Acquisitions Operations to request a reject/approve for resubmission of submitted whole loans
- New "*Loans Requiring Attention*" page and "*Action Required*" email notifications
- Identification of commitment fulfillment issues and detailed commitment balance information provided
- New loan statuses
- New SMP pricing exception edits
- Purchase price decimal consistency
- Pricing preview in Loan Delivery

To learn more about the new enhancements for whole loans in Loan Delivery, refer to the Quick Reference Guide and review the brief eLearning courses.

> **NOTE:** *Loans submitted on or before July 16, 2021 will need to be certified and purchased by August 31, 2021 to ensure legacy deliveries are processed (loans not purchased by August 31 will be approved for resubmission and will need to be re-submitted in Loan Delivery in the new process).*

July 19	Edit Updates	See the LD Edit Change Effective Date column in the Loan Delivery Business Rules for a listing of edit updates including: • Edits related to Certification, Commitment, Property Inspection Waiver (PIW), RefiNow, ARM, and UPB changing from warning to fatal severity. • New warning edits related to Commitment and Closing Data.
July 19	Loan Details Page	Enhancements were made to the Loan Details page to display punctuation in currency-related fields. Loan Delivery CSV exports will not change.
August 23 / September 1	APR-APOR Spread Edits	As announced in Lender Letter LL-2021-11 and the related FAQs, new Loan Delivery edits will perform a check of the Annual Percentage Rate-Average Prime Offer Rate (APR-APOR) spread thresholds. We will utilize the Uniform Closing Dataset (UCD) and Uniform Loan Delivery Dataset (ULDD) as provided to perform the checks at time of delivery/purchase. See the Loan Delivery Business Rules for a listing of edits. Refer to the Loan Delivery Qualified Mortgage (QM) Edits job aid for more information.

August 23	Edit Updates	See the LD Edit Change Effective Date column in the [Loan Delivery Business Rules](#) for a listing of effective edit updates including: • Edits related to Borrower, Address, Payment, Consistency, High LTV Refi, LTV, Lender, Entity, Property-Project Type, RefiNow, Closing Data, DTI, and DU Compare changing from warning to fatal severity. • New warning edits related to Address, Appraisal, Closing Data, Credit Score, DU Compare, Flood Hazard, First-Time Homebuyer, and Loan Amount.
August 23	COVID-19 Appraisal Flexibilities	As announced in [Lender Letter LL-2021-04](#), the temporary appraisal flexibilities will end on May 31, 2021, with the exception of the HomeStyle® Renovation seasoning policy. For loan applications received after May 31, 2021, the temporary flexibilities will no longer apply to Loan Delivery edits and lenders should follow all standard Selling Guide appraisal policies. See the Loan Delivery Business rules for details.
September 20	Edit Updates	See the LD Edit Change Effective Date column in the [Loan Delivery Business Rules](#) for a listing of effective edit updates including: • New warning edits related to Consistency, Social Security Number-TaxID, and UPB.
October 25	Edit Updates	See the LD Edit Change Effective Date column in the [Loan Delivery Business Rules](#) for a listing of effective edit updates including: • Edits related to Consistency, Closing Data, and DU Compare changing from warning to fatal severity. • New warning edits related to Certification, Closing Data, and RefiNow.
October 25	Points and Fees Edits	As announced in [Lender Letter LL-2021-11](#) and the related [FAQs](#), Loan Delivery fatal edits will perform a check of the Regulation Z points and fees. We will utilize the Uniform Closing Dataset (UCD) and Uniform Loan Delivery Dataset (ULDD), as provided, to perform checks at the time of delivery/purchase. See the [Loan Delivery Business Rules](#) for a listing of edits. Refer to the [Loan Delivery Qualified Mortgage (QM) Edits job aid](#) for more information.
October 25	GFee Buyup and Buydown Customized Fit	The guaranty fee (GFee) buyup and buydown (BU/BD) customized fit option is enhanced in Loan Delivery for MBS pools. Lenders have the ability to update the BU/BD GFee by Original Loan Term and Note Rate combinations by contract (previously, the only option to update the BU/BD GFee was by the Note Rate provided on the contract).
November 3	Re-amortized (Recast) Loans	Per [Selling Guide Announcement (SEL-2021-10)](#), we updated our policy to permit the delivery of loans that were previously modified due to the application of a principal curtailment and recast of the principal balance over the remaining loan term prior to delivery.

		• Lenders must ensure both the original note amount prior to modification and the reduced loan amount after modification comply with the loan limits in effect at time of delivery. • Loans must be delivered with SFC 076. Refer to the Loan Delivery Job Aids for more information and the Loan Delivery Business Rules for a listing of effective edits.
December 6	Edit Updates	See the LD Edit Change Effective Date column in the Loan Delivery Business Rules for a listing of effective edit updates including: • Fatal edit related to Sales Price.