

# A/A First Business Day Liquidations Job Aid

## Actual/Actual (A/A) Removals Will Be Processed in Current Month Activity Period

**February 20, 2025**

Effective with the March 2025 Loan Activity Reporting, Fannie Mae will process and apply loan removals (Payoffs, Repurchases or Foreclosures) on all A/A loans reported between Calendar Day 1 through Business Day 2, with an action date equal to or less than Business Day 1, in the current activity period instead of next activity period.

### Current Process (Prior to March 2025 activity period)

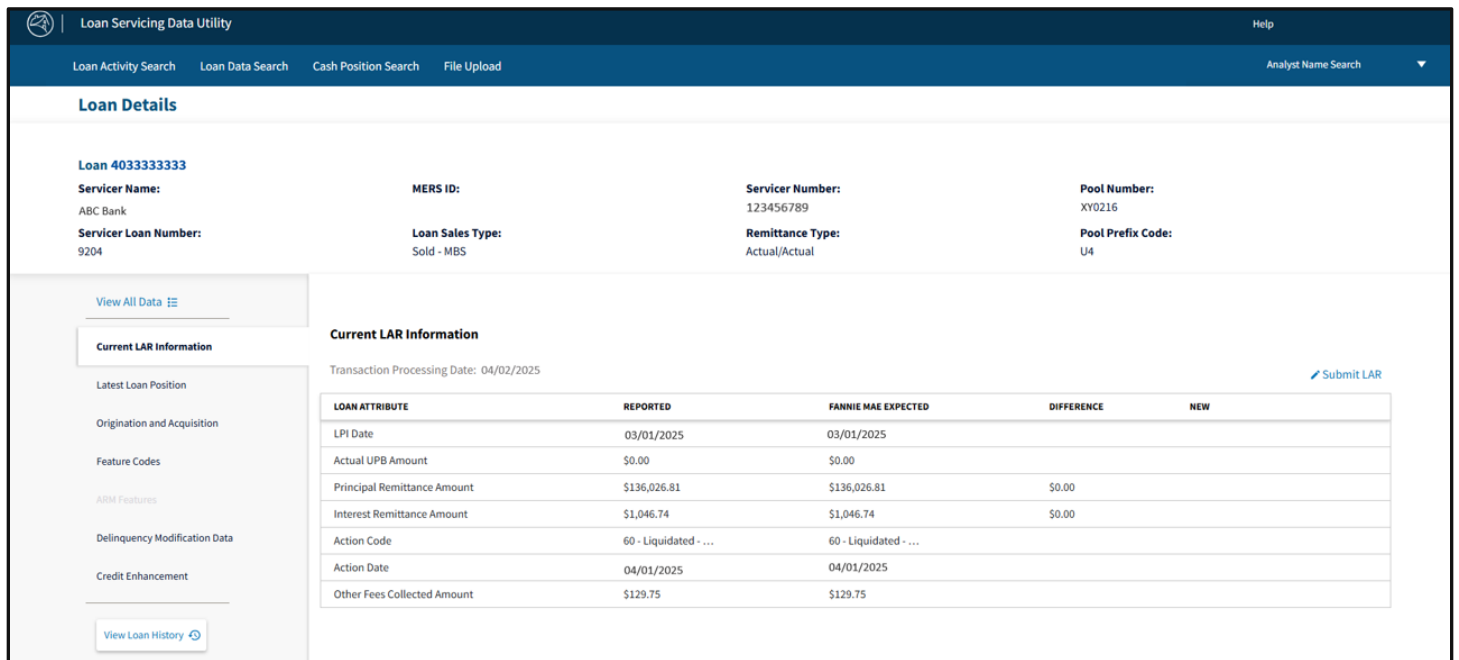
Removals reported on A/A loans between Calendar Day 1 through Business Day 2, with an action date equal to or less than Business Day 1, are held and processed on the next processing day after Business Day 2 of the new activity period.

### Future Process (After March 2025 activity period)

Removals reported on A/A loans between Calendar Day 1 through Business Day 2, with an action date equal to or less than Business Day 1, will be processed and applied to the current activity period. Fannie Mae will apply cash for successfully removed loans to the current activity period by creating a shortage/surplus adjustment type 'Activity Period' after cycle close on Business Day 2.

### Illustrative Examples: Current LAR information and Loan History-Payment in Loan Servicing Data Utility (LSDU) on Business Day 2 – April 2025

#### Illustration: LSDU Loan Details



The screenshot displays the LSDU interface for Loan 4033333333. The top navigation bar includes 'Loan Activity Search', 'Loan Data Search', 'Cash Position Search', and 'File Upload'. The main content area is titled 'Loan Details' and shows the following information:

- Loan 4033333333**
- Servicer Name:** ABC Bank
- Servicer Loan Number:** 9204
- MERS ID:**
- Loan Sales Type:** Sold - MBS
- Servicer Number:** 123456789
- Remittance Type:** Actual/Actual
- Pool Number:** XY0216
- Pool Prefix Code:** U4

Below the loan details, there is a 'Current LAR Information' section. It shows the 'Transaction Processing Date' as 04/02/2025. A table compares reported data with Fannie Mae expected data:

LOAN ATTRIBUTE	REPORTED	FANNIE MAE EXPECTED	DIFFERENCE	NEW
LPI Date	03/01/2025	03/01/2025		
Actual UPB Amount	\$0.00	\$0.00		
Principal Remittance Amount	\$136,026.81	\$136,026.81	\$0.00	
Interest Remittance Amount	\$1,046.74	\$1,046.74	\$0.00	
Action Code	60 - Liquidated - ...	60 - Liquidated - ...		
Action Date	04/01/2025	04/01/2025		
Other Fees Collected Amount	\$129.75	\$129.75		

Additional interface elements include a 'View All Data' link, a 'View Loan History' button, and a 'Submit LAR' button.



### Illustration: LSDU Loan History

Loan Servicing Data Utility Help

Loan Activity Search | Loan Data Search | Cash Position Search | File Upload Analyst Name Search

#### Loan History

[Back to Loan Detail](#)

**Loan 403333333**

<b>Servicer Name:</b> ABC Bank	<b>MERS ID:</b>	<b>Servicer Number:</b> 123456789	<b>Pool Number:</b> XY0216
<b>Servicer Loan Number:</b> 9204	<b>Loan Sales Type:</b> Sold - MBS	<b>Remittance Type:</b> Actual/Actual	<b>Pool Prefix Code:</b> U4

Payment | Transaction | Rate and Payment [Download Payment History](#)

LOAN ACTIVITY REPORTING PERIOD	PROCESSING DATE	ACTUAL UPB AMOUNT (REPORTED)	ACTUAL UPB AMOUNT (AS OF THE END OF PRIOR PERIOD)	LPI DATE	PRINCIPAL REMITTANCE AMOUNT (REPORTED)	UNSCHEDULED PRINCIPAL REMITTANCE AMOUNT	INTEREST REMITTANCE AMOUNT (REPORTED)	INTEREST REMITTANCE AMOUNT (FANNIE MAE EXPECTED)	INTEREST REMITTANCE AMOUNT (DIFFERENCE)	SOFT REJECT INDICATOR	ACTION CODE - ACTION DESCRIPTION	ACTION DATE	OTHER FEES COLLECTED AMOUNT	REVERSAL INDICATOR	TRANSACTION SUBMISSION SOURCE
03/2025	04/02/2025	\$0.00	\$136,026.81	03/01/2025	\$136,026.81	\$134,544.33	\$1,046.74	\$1,046.74	\$0.00		60 - Liquidated - Payoff	04/01/2025	\$129.75		Servicer, B2B
03/2025	03/20/2025	\$135,559.81	\$136,026.81	03/01/2025	\$467.00	\$0.00	\$524.27	\$524.27	\$0.00		0 - Payment	03/19/2025	\$0.00	Y	Servicer, B2B

**NOTE:** Please work with your Investor Reporting Analyst to resolve soft rejects associated with Actual/Actual BD1 liquidation LARs.

### Illustrative Examples: Cash Position and Removal Adjustment Type in Loan Servicing Data Utility (LSDU) on Business Day 3 - April 2025

#### Illustration: LSDU Cash Position Search Results

Loan Servicing Data Utility Help

Loan Activity Search | Loan Data Search | Cash Position Search | File Upload Analyst Name Search

#### Cash position search results

[Download](#)

Servicer Number: 123456789      Remittance Type: Actual / Actual      Loan Activity Reporting Period: 04/2025, 03/2025

REPORTING PERIOD	SNAPSHOT DATE	REMITTANCE TYPE	BEGINNING SHORTAGE/SURPLUS AMOUNT	TOTAL P&I TRANSACTION APPLIED AMOUNT	OPEN HARD REJECTS AMOUNT	INTEREST DIFFERENCE AMOUNT (SOFT REJECT)	CASH RECEIVED AMOUNT	ADJUSTMENT * AMOUNT	PRELIMINARY ENDING SHORTAGE/SURPLUS AMOUNT	FINAL ENDING SHORTAGE/SURPLUS AMOUNT
04/2025	04/02/2025	Actual/Actual	\$0.00	\$ 604,267.03	\$0.00	\$0.00	\$ 740,349.31	-\$136,082.28		\$0.00
03/2025	04/02/2025	Actual/Actual	\$0.00	\$ 162,583.07	\$0.00	\$0.00	\$26,500.79	\$136,082.28		\$0.00

\* Adjustment Amount for A/A BD1 liquidation is calculated by subtracting servicer reported payment principal and interest amount from the cumulative liquidation principal and interest amount (servicer reported payment LAR and Liquidation LAR) calculated by Fannie Mae.

Adjustment Amount:  $\$136,026.81 + \$1,046.74 - (\$467.00 + \$524.27) = \$136,082.28$



## Illustration: LSDU Adjustment Search Results

Loan Servicing Data Utility Help

Loan Activity Search | Loan Data Search | Cash Position Search | File Upload Analyst Name Search

**Adjustment search results ( 2 adjustments)** Download

Servicer Number: 123456789      Remittance Type: Actual/Actual      Loan Activity Reporting Period: 04/2025, 03/2025

SERVICER NUMBER	SERVICER NAME	REMITTANCE TYPE	ACTIVITY PERIOD	ADJUSTMENT TYPE	FROM/TO SERVICER NUMBER	FROM/TO REMITTANCE TYPE	FROM/TO LOAN ACTIVITY REPORTING PERIOD	FANNIE MAE LOAN NUMBER	SERVICER LOAN NUMBER	ADJUSTMENT AMOUNT	PROCESSING DATE	SUBMITTER COMMENTS
123456789	ABC Bank	Actual/Actual	04/2025	Activity Period to Activity Period			03/2025	403333333	9204	-\$136,082.28	04/02/2025	Transfer First Business Day (BD1) Liquidation proceeds to previous activity
123456789	ABC Bank	Actual/Actual	03/2025	Activity Period to Activity Period			04/2025	403333333	9204	\$136,082.28	04/02/2025	Transfer First Business Day (BD1) Liquidation proceeds to previous activity

## Illustrative Example: Fannie Mae Connect – Current Cycle Shortage/Surplus Adjustments on Business Day 3 – April 2025

Servicer Number	Servicer Name	Remittance Type	Activity Period	Activity As of	Adjustment Type	From/To Activity Period	Fannie Mae Loan Number	Transfer Amount	Processing Date	Submitter Comments
123456789	ABC Mortgage	A/A-Actual Interest/Actual Principal	Apr-25	4/2/2025	Activity Period to Activity Period	Mar-25	403333333	-\$136,082.28	4/2/2025	Transfer First Business Day(BD1) Liquidation proceeds to previous activity
123456789	ABC Mortgage	A/A-Actual Interest/Actual Principal	Mar-25	4/2/2025	Activity Period to Activity Period	Apr-25	403333333	\$136,082.28	4/2/2025	Transfer First Business Day(BD1) Liquidation proceeds to previous activity

Other affected Fannie Mae Reports include:

- Fannie Mae Connect - Trial Balance, Accepted Transaction Reports, & Remittance Update Report (Section E)
- Master Servicing Portfolio Manager – Daily Liquidation Report

**NOTE:** *Business Day 1 payoffs will be reflected in the Master Servicing Daily Liquidation Report for the current reporting activity. There are no format changes to the above-mentioned Reports.*

## More Information

Please contact Master Servicing at 1-800-2-FANNIE (Option 1, Option 6) or email [future\\_of\\_servicing@fanniemae.com](mailto:future_of_servicing@fanniemae.com) if you have any questions about these changes.

Other helpful resources:

- Visit the [Loan Servicing Data Utility \(LSDU\)](#) product Webpage
- Visit the [Fannie Mae Connect](#) product Webpage
- Visit the [Master Servicing Portfolio Manager](#) product Webpage