

# Commitment Eligibility Edit Quick Tips for Whole Loans

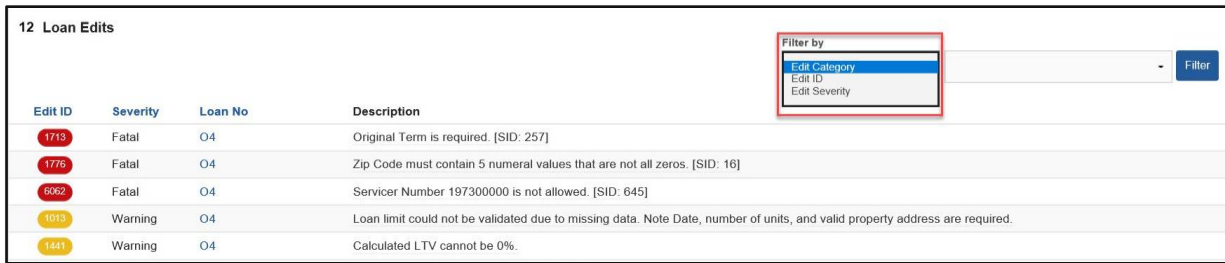
Several whole loan commitment eligibility edits were moved upfront in Loan Delivery to identify commitment-related issues prior to submission. The whole loan commitment related edits will be in the 3000 edit number series and introduced as warning severity on Dec. 9, 2019, with several transitioning to fatal severity on Jan. 27, 2020.

Review the quick tips and frequently asked questions below for information on how to review and resolve the commitment edits. For additional details on the edits, review the [Loan Delivery Business Rules Dictionary](#).

## How to Review and Resolve Commitment Edits

### Loan Delivery Filter Options

To assist in managing and working through the commitment edits, a Commitment Eligibility summary section displays on the Edit Results tab under Commitment Management. The ability to filter by and filter out the commitment eligibility edits was also added:



Edit ID	Severity	Loan No	Description
1719	Fatal	O4	Original Term is required. [SID: 257]
1776	Fatal	O4	Zip Code must contain 5 numeral values that are not all zeros. [SID: 16]
6062	Fatal	O4	Servicer Number 197300000 is not allowed. [SID: 645]
1019	Warning	O4	Loan limit could not be validated due to missing data. Note Date, number of units, and valid property address are required.
1441	Warning	O4	Calculated LTV cannot be 0%.

### Best Efforts Commitment Edits

Best Efforts commitment edits will validate certain data fields in Loan Delivery match the commitment in PE – Whole Loan for Best Efforts loans. If an edit is received where the values do not match, review the delivered loan information and the commitment details to determine which value needs to be updated.

Edit Number	Field	Update in PE – Whole Loan	Update in LD
3001	Property Zip Code	Email <a href="mailto:pe_wholeloansupport@fanniemae.com">pe_wholeloansupport@fanniemae.com</a> to update field	Update field on the Loan Details screen and re-run loan edits
3002/3007	Case File ID		
3003	Taxpayer ID		
3006	Property State		
3004	Current UPB	Update field directly in PE – Whole Loan	N/A
3005	Note Rate		
3008/3009	Commitment Status		

For more information on updating Best Efforts commitments, review the [Modifying a Best Efforts Commitment](#) job aid.

**EXAMPLE:** Edit 3004 is issued - Current UPB (399410.72) on the loan must equal the commitment Loan Amount (400000.00) for Best Efforts loans.



## Loan Delivery

Balances/Terms		
Original Term	Original Term Period	Amortization Term
360	Month	360
1st Payment Date	Original Loan Amount	Note Rate
11/01/2019	400000.00	3.8750
Calculated Remaining Term	P&I	Current UPB
359	1880.95	399410.72
Calculated Stated Term	Calculated P&I	Calculated Current UPB
359	1880.95	399410.72

## PE – Whole Loan

Commitment ID	123456	Original Commitment Amount	\$415,000.00
Seller Number	19730000	Current Commitment Amount	\$400,000.00
Seller Name	ABC Bank	Commitment Date	08/30/2019 04:07 PM EDT

Determine which is the correct Current UPB and either update in Loan Delivery or within the commitment in PE – Whole Loan.

## Edits 3091(Price not calculated on loan) and 3010/3005 (Note Rate Mismatch)

Edit 3091 (price not calculated due to missing data) will be issued with additional edits that help identify the commitment related issue. Most often edit 3091 will occur along with edit 3010 or edit 3005 for Best Efforts. 3010 is issued when the Net Note Rate (Current Interest Rate – Servicing Fee) provided in Loan Delivery is not between the highest and lowest Pass-Through Rate on the commitment. Best Efforts edit 3005 is issued when the Note Rate in Loan Delivery does not match the Note Rate on the commitment in PE – Whole Loan.

**EXAMPLE:** Edit 3010 fired - Pass Through Rate (Current Interest Rate - Servicing Fee) must be between the highest and lowest Pass-Through Rate on the commitment. And edit 3091 fired: Price could not be calculated due to missing or invalid data.

Loan Delivery: Note Rate is 3.00 and Servicing Fee .25. Pass Through Rate:  $3.00 - .25 = 2.75$

Balances/Terms		
Original Term	Original Term Period	Amortization Term
180	Month	180
1st Payment Date	Original Loan Amount	Note Rate
11/01/2019	197000.00	3.0000

Detail Information		Required Margin
Commitment Period	60 Days	-
Commitment Type	Conventional Fixed-Rate	Servicing Fee 0.25
Remittance Type	Actual/Actual	IRD Limit -
Participation Percent	100%	IRD Percent -
Plan Number	00000	
Mortgage Term	180	

In PE – Whole Loan, the commitment was taken down for Pass-Through Rate ranges of 2.875 to 3.375.

PTR	Price
3.375	103.1535
3.250	102.4320
3.125	102.1669
3.000	101.8694
2.875	101.6316

If the Note Rate is incorrect in Loan Delivery, update the Note Rate and re-run package edits. If the Note Rate is correct, a new commitment will need to be obtained in PE – Whole Loan with the corresponding Pass-Through Rate range to fit the loan.

## Edit 3024 (Amortization Term)

Edit 3024 will identify when the Amortization Term provided in Loan Delivery is outside the minimum or maximum allowable per the commitment in PE – Whole Loan. Review the [PE – Whole Loan Minimum Loan Term](#) document for more information.



**EXAMPLE:** Edit 3024 fired - Amortization Term on the loan of 180 must be valid for the commitment Amortization Term minimum: (181) and maximum: (360). Verify the loan and commitment data and re-run eligibility or call the Capital Markets Pricing and Sales Desk at 1-800-752-0257.

In this example, an amortization term of 180 was delivered against a 30-Year Fixed Rate commitment which has a minimum term of 181 months. If the Amortization Term is incorrect in Loan Delivery, update and re-run package edits. If the Amortization Term is correct, a new commitment will need to be obtained in PE – Whole Loan with the corresponding product for that term.

## Edits 3014 and 3019 (Commitment Expiration)

When a commitment has expired, edits 3014 and 3019 will be issued. Edit 3014 identifies that the commitment expiration date has passed and edit 3019 identifies that the commitment status is not Open or Satisfied.

If the commitment has expired, a new commitment must be used to deliver the loan in Loan Delivery. The loan may be transferred to a new commitment using the ‘Transfer’ feature on the Loans tab from the Commitment Details page.

## Edit 3041 (Negotiated Commitments)

For negotiated commitments, the contract must be signed before the loans are submitted in Loan Delivery. Edit 3041 will identify that the contract for a negotiated commitment is not signed. Once the contract is signed and processed, running eligibility in Loan Delivery will clear edit 3041 from each loan. Contact your Fannie Mae customer account team for additional details on negotiated commitments.

## Commitment Eligibility Frequently Asked Questions (FAQs):

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

Effective December 9, 2019, several commitment whole loan eligibility edits are warning severity and 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 – Whole Loan?

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

### Q3. Can I export the Commitment Eligibility edits?

The Edits CSV export file in Loan Delivery will contain the commitment eligibility edits. A column has been added for edit category to identify the commitment-related edits and to easily sort/filter them.

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

Yes. Additional commitment related edits will be added to Loan Delivery over the coming months regarding commitment balance issues and product-related issues. The downstream edits will remain to identify any downstream commitment related issues prior to the loan being purchased. For example, if a commitment expires after the loan is submitted but before the loan is purchased in Loan Delivery, a notification will still be received from Acquisitions Operations to resolve the issue.



**Q5. Can I still submit a loan with a Commitment-related edit when the severity is warning?**

Yes. The loan 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 and will need to be resolved prior to submission.

**Q6. Are the commitment edits in the Loan Delivery Test Environment?**

The edits are not in the Loan Delivery Test Environment (LDTE) at this time.