

Loan Quality Connect External Glossary

This glossary provides definitions for business process management terms, labels, and frequently used business terms in Loan Quality Connect™.

Term	Definition
Advanced Search	Allows the user to perform a search using loan details from multiple dropdown menus and loan characteristics such as the Review Status, Property State, or Review Type. This function is often used for finding multiple loans with common characteristics.
Alert	Notifies the user to perform certain actions during the review process.
Appeal	A lender response to Fannie Mae disputing a Resolution Request. The lender may need to provide additional supporting information. A successful Appeal results in one or more cited Defects being cleared.
Basic Search	<p>Allows the user to locate a loan when one of the following criteria is known:</p> <ul style="list-style-type: none"> ▪ Fannie Mae Loan Number ▪ Seller Loan Number ▪ Servicer Loan Number ▪ Selling Responsible Party Loan Number* ▪ Servicing Responsible Party Loan Number* <p><i>*It is possible to have a different party in each position on the loan. Additionally, servicing transfers may occur during the review, and these can cause the responsible party to change.</i></p>
Bulk Document Upload	<p>Allows lenders to upload multiple loan files or documents at one time. A standardized naming convention is required; view the Document Upload Naming Convention job aid for details:</p> <p style="padding-left: 40px;">Fannie Mae Loan Number_(underscore) Description of Document</p> <p style="padding-left: 40px;">Example: 1234567890_VerificationOfEmployment</p> <p>NOTE: <i>The file name must have each word capitalized without spaces.</i></p>
Business Intelligence (BI) Card	BI Cards are found at the top of the screen for each of the queues in Loan Quality Connect. They offer a visual representation of the different tasks associated with that particular queue until the lender's task is complete. Each BI Card shows a day count for the task described in relation to its Service-Level Agreement (SLA) timeframe.
Comments	The comments field allows the lender to provide and seek comments from Fannie Mae (e.g., the description of a document request).
Concur to Repurchase	When the lender concurs to a repurchase, it is agreeing with the Significant Defect(s) and will remit funds to repurchase the loan.
Concur to Repurchase Alternative	When the lender concurs to a repurchase alternative, it is agreeing with the Significant Defect(s) and will finalize the repurchase alternative and pay the required fee, if applicable.



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Dashboards	A self-service reporting functionality that contains three separate report views: <i>Responsible Party Daily Pipeline</i> , <i>Responsible Party Review Results</i> , or <i>Seller File Review Results</i> . The dashboards are used to manage loan quality, analyze daily performance, and highlight process challenges. Quality, remediation metrics, and the ability to analyze reports and create custom reports are also available on this screen. View Dashboard Overview job aid.
Data Adjustments	A list of specific data changes for the loan requested by the DVC, with functionality that provides the lender the ability to respond to Fannie Mae’s data change requests.
Data Validation Center (DVC)	Department within Fannie Mae that ensures data delivered by the lender is accurate.
Defect	A loan-level deficiency that breaches a term contained in the Lender Contract in effect at the time of loan delivery.
Document Requests Queue	The queue displaying a breakdown of specific requests for a single Fannie Mae loan number. This is an extension of the Request Queue and provides the ability to view individual requests rather than requests aggregated by loan number. Details for each loan are summarized on the BI Cards.
Documents tab	Displays a list of documents that have been uploaded to Loan Quality Connect and designates the status of the upload (Requested, Accepted, Rejected, Received, Cancelled, or Complete). Significant Defect Support Documents are located under this tab.
DVC Response Queue	The queue displaying a list of loans with requests received from the DVC. Details for each loan are summarized on the BI Cards.
Extension	One of the tasks that the lender can request to obtain an extension (to file requests, to document requests, and to appeals). See respective job aids. View Requesting Additional Time job aid.
Finding	A “Finding” is one or more Defects that, when considered with other loan features, does not necessitate a change in the price of the loan or result in the loan being unacceptable even if the true and accurate facts about the loan had been known at the time Fannie Mae purchased or securitized the loan.
HomeStyle® Renovation (HSR) Queue	Lenders approved to deliver HomeStyle Renovation loans to Fannie Mae can proactively submit requests for extensions and recourse removals in this queue.
Impasse	The formal process lenders use to challenge the existence of a Significant Defect or the proposed resolution in the Resolution Request. Impasse begins after the second Appeal has been reaffirmed by Fannie Mae issuing a Reaffirmation. <i>Note:</i> All Appeal information should be submitted before the Impasse is initiated.
Independent Dispute Resolution (IDR)	A process available for disputes that are not resolved through the Appeal, Impasse, or Management Escalation process. The IDR process is available provided the preconditions to each step has been followed and the parties have not filed litigation to attempt to address the dispute.
Lender Courtesy View	This view-only screen displays all outstanding lender tasks for which the lender is the seller or the current servicer but is NOT the responsible party. This feature allows the lender to see open lender tasks for loans selected for review even though the lender may not be responsible for resolving the task in Loan Quality Connect.
Lender Self Report	A loan submitted by the lender which details its quality control (QC) finding(s), violation(s) of compliance with laws, or a Voluntary Repurchase Request.
Lender Self Report Queue	This queue allows the lender to create, submit, and track the status of loans that need to be self-reported according to <i>Selling</i> and/or <i>Servicing Guide</i> requirements.
Loan File	The loan documents associated with the origination and closing of loans selected for review (view Form 1032).



Term	Definition
Loan Details Screen	Provides access to loan review information and to the <i>Comments</i> and <i>Documents</i> windows. The various tabs display information related to the different loan origination data, such as income, expense, and property.
Management Escalation	The formal process lenders use to challenge the existence of a Significant Defect or the proposed resolution in the Resolution Request, if not resolved during Impasse.
Price Adjusted Loan (PAL)	A PAL has one or more Defects that, when considered with other loan features and based on the facts of the loan as purchased or securitized by Fannie Mae, result in a loan that was otherwise eligible for delivery had the correct data been delivered and a loan-level price adjustment paid.
Reaffirmation	A letter addressing the issues remaining with one or more unresolved Significant Defect(s) and identifying why the Appeal documentation was insufficient.
Remediation Process	The tasks associated with resolving all Significant Defects on a loan.
Remedy Status	The tab in Loan Quality Connect that describes the current status of the loan in the Remediation Process. It displays unresolved Significant Defects and provides the lender the ability to respond by using the <i>Take Action</i> drop-down menu.
Request Queue	The queue displaying a list of loan(s) with outstanding file or document requests. Each entry in the list may contain requests for more than one document. Details for each loan are summarized on the BI Cards.
Resolution Request	A request by Fannie Mae to the lender to resolve a loan with one or more Significant Defects. The resolution might be one of a multitude of items including a repurchase, a repurchase alternative, or other remedy.
Review Types	<p>The type of loan under review:</p> <ul style="list-style-type: none"> • Random Post-Purchase Review (RPPR) – selections based on random sampling models. • Discretionary Post Purchase Review (DPPR) – selections targeted for review based on loan characteristics, risk-based models, and lender-based selections, etc. Includes any performing post-purchase review that doesn't fall into another <i>Review Type</i>; primarily associated with our targeted, lender supplemental selections, and self-reported loans. • Early Payment Default Review (EPD) – selections based on delinquency. • Loss Mitigation Review (LOS) – selections based on loss mitigation activities. • Post Foreclosure Review (PFR) – selections made after a non-performing loan has been liquidated. • Recourse Violations (RV) – loans that are subject to recourse provisions. • Mortgage-Backed Securities Review (MBS) – selections targeted for MBS review.
Selling Responsible Party Loan Number	The lender loan number is associated with the lender responsible for any repurchase or other action taken.
Servicing Responsible Party Loan Number	The lender loan number for the Fannie Mae Servicer which holds representations and warranties associated with servicing responsibilities.
Service Level Agreement (SLA)	Loan Quality Connect consists of a series of tasks for the lender to complete. Each of these tasks is associated and displayed with a defined timeline. The timelines are converted into SLAs in Loan Quality Connect. Once a loan moves to Resolution, both Fannie Mae and the lender are bound by timelines for each task as set forth in the <i>Selling and/or Servicing Guides</i> .



Term	Definition
Significant Defect	A Significant Defect is one or more Defects that either necessitates a change to the price on which the loan was acquired or result in the loan being unacceptable for purchase had the true and accurate information about the loan been known at time of purchase. Loans with Findings and PALs are not loans with Significant Defects.
Significant Defect Support Documents	Documents that are visible to the lender with respect to the Significant Defect(s) cited in the Resolution Request. (Located on the <i>Documents</i> tab under the <i>Type</i> column.)
Task Due Date	The date a task must be completed by before becoming overdue in Loan Quality Connect.
Tasks Screen	A screen in Loan Quality Connect listing open requests and completed tasks for the loan, the request date, and the Task Due Date. It also provides the current status for each task (New, In Progress, and Complete). A lender may also use this screen to request a time Extension or “late delivery” as displayed in the application.
Voluntary Repurchase Request	A lender request to be allowed to repurchase a loan based on an issue that the lender discovered during its own internal quality review.
Withdrawal Letter	A notification that rescinds the previous Resolution Request, either based on the lender’s efforts to correct the Significant Defect(s) or for other reasons. It may also reserve the future right to issue a repurchase demand or pursue other remedies.