

PORTFOLIO FIN RECONCILIATION JOB AID:

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Portfolio Reconciliation Requirement

Fannie Mae requires a quarterly Portfolio Reconciliation with all Document Custodians. The Portfolio Reconciliation introduces transparency, ensures data quality, and minimizes risk in both Fannie Mae’s and the Document Custodian’s operations. To support the Portfolio Reconciliation, on a quarterly basis, Document Custodians must submit a data file of all *Active* Fannie Mae loans under the Document Custodian’s custody (the Financial Institution Number (“FIN”) File) to Fannie Mae Single-Family Custody Operations Team (the “FIN File Submission”).

Fannie Mae defines Active loans as loans in any of the following statuses in the Document Custodian’s tracking system:

- Certified Active
- Active – Release (Non- Liquidation Release)
- Pending Recertification

Fannie Mae requires that Document Custodians exclude loans from the data file with the following statuses:

- Loans released as part of Servicing transfer.
- Loans released for Liquidation Reason (Paid-in-full/Repurchase/Foreclosure Complete)
- Any eNotes certified by Document Custodians
- REMIC loans
- Long Term Standby Commitments Loans (LTSC)
- Previously Rejected Fannie Mae Loan(s) – Document Custodians must ensure that all rejected loans are processed to reflect the resubmitted Fannie Mae Loan(s), this ensures only valid Active Fannie Mae Loan(s) are submitted.

FIN File Submission Format

For the FIN File Submission, the data file must be labelled using the following naming convention:

<Custodian Name>_<MMDDYY>_FNM_Recon.txt

Fannie Mae requires the FIN File data to be submitted as a Pipe Delimited Text File adhering to the following file specification:

Field Name	Definition	Description
FannieMae_Loan_ID	Number(10)	Fannie Mae Loan Number
Servicer_ID	Number(5)	Fannie Mae Servicer Number
Servicer_Name	Varchar2(100)	Servicer Name
FIN	Number(11)	Financial Institution Number
Custodian_Location	Varchar2(100)	Vault Location
Custodian_Primary_Reference	Varchar2(50)	Document Custodian data (Optional)

Notes:

- All active loans must have a valid Fannie Mae 10-digit loan number.
- All Financial Institution Numbers must match exactly as they appear in the Document Certification Application (11 digits)

Quarterly Schedule for FIN File Submission:

Document Custodian must submit their quarterly FIN File according to the schedule below:

Year	Data as Of	Due to Fannie Mae
Each Calendar Year	Q1: Jan 1 st – March 31 st	April 15 th
	Q2: April 1 st – June 30 th	July 15 th
	Q3: July 1 st – September 30 th	October 15 th
	Q4: October 1 st – December 31 st	January 15 th

Note: If the 15th calendar day falls on a weekend or holiday, the file must be submitted by end of day on the following business day.

FIN File Delivery Methods:

The Single-Family Custody Operations team will work directly with each individual Document Custodian to finalize a transmission method to deliver the data file to Fannie Mae. Below are the various options for submitting the data file to Fannie Mae:

- Box (upload your file to Box.com)
- SFTP
- Email to FNM_Custodian_Recon@fanniemae.com

Note: In order to opt to use SFTP or Box.com options, Document Custodian must work with Custody Operations team to begin the process.

FIN File Reconciliation with Fannie Mae:

Upon receipt of Document Custodians' FIN File, the Single-Family Custody Operations team will perform an internal reconciliation against the Fannie Mae portfolio database. Any exceptions identified will be communicated to each specific Document Custodian as it relates to their FIN File. Exceptions will be documented in the following categories:

- Missing Loans
- Invalid Loans
- Duplicate Loans
- Double Claimed Loans
- Unrecognized Loans
- Loans with FIN Discrepancies

Note: The table below defines each exception and provides guidance for clearing each exception type:

Exception Type	Exception Description	Action	Exception File Naming convention
Missing Fannie Mae Loan(s)	The Fannie Mae records indicate that the following loan(s) are held by Document Custodian but were not reported in their FIN file.	Document Custodian must verify the status of the loan(s) in question. Example of common causes of this exception: <ul style="list-style-type: none"> ➤ Loan no longer in Document Custodian's possession due to Servicing Transfer 	Missing Fannie Mae Loan Numbers

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Exception Type	Exception Description	Action	Exception File Naming convention
Invalid Fannie Mae Loan Number	The Fannie Mae loan number field contains invalid data in FIN File. Invalid data is identified as less than 10-digits.	<p>➤ Errors with the file query requirement</p> <p>Provide valid 10-digit Fannie Mae loan number(s).</p>	Invalid Fannie Mae Loan Numbers
Duplicate Fannie Mae Loan	Fannie Mae loan number(s) is included multiple times in FIN File	Please correct / remove the duplicate information.	Duplicate Fannie Mae Loan Numbers
Double Claimed Fannie Mae Loan	The same Fannie Mae loan(s) claimed by two or more Document Custodians.	Custodian must validate that they have the physical document(s) relative to the Custodial file in their Custody.	Double Claimed Loan Numbers
Loan Not Recognized by Fannie Mae	The Fannie Mae loan number field contains invalid data in FIN File. Invalid data could be a 10-digit number(s), however, either: <ul style="list-style-type: none"> • Not valid Fannie Mae loan number(s) OR • Liquidated in Fannie Mae system. *** OR • Previously rejected loan 	Please provide valid 10-digit Fannie Mae loan number(s).	Unrecognized Loan Numbers

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Exception Type	Exception Description	Action	Exception File Naming convention
Loan has FIN Discrepancies	Fannie Mae records indicate that the loan(s) was certified as eNote(s).	Please validate that you do not hold this population of loan(s). Note: For eNote(s) please exclude from submitting in your FIN File.	Different FIN

*****Note:** For Loans designated as Unrecognized due to liquidation reasons in Fannie Mae system, the Single-Family Custody Operations team will provide Document Custodian in the Unrecognized Exception file a separate tab listing the liquidated loans. Document Custodian must exclude these loans from all future FIN File Submissions.

Submitting Error Resolution File to Fannie Mae

Once the Document Custodian has reviewed the errors, an Error Resolution File update must be submitted to Fannie Mae. When submitting the Error Resolution File update, if for any reason missing loan(s) relate to a transfer/release, the Document Custodian must include the following information for each loan(s):

- Release Date
- Release Reason
- Transfer Date
- D-Code/C-Code/I-Code for transfer(s)
- 'Release To' Document Custodian

Double Claimed loan(s) – The Document Custodian must confirm the presence of physical document in their Custody. If the document(s) are confirmed present, the Document Custodian must provide Fannie Mae the following data points:

- Address (Street, City, State, Zip)
- Loan Amount (when available)
- First Payment Date (when available)

Unrecognized loan(s) – As a part of exception reconciliation/resolution, Document Custodians must ensure the Unrecognized loans are not the result of loan(s) previously rejected.

Note: When providing exception resolutions, Document Custodians must only submit data as requested in the exception template. Fannie Mae will request additional data elements as needed. This avoids the unnecessary submission of unsolicited Nonpublic Personal Information (NPI).

Document Custodian FIN File Error Resolution Due Date:

Document Custodians must perform error resolution and begin providing the Single-Family Custody Operations team with updates within 2 weeks of receiving the Exceptions files. This will ensure that errors are reviewed and resolved prior to the submission of the next quarter's FIN File.