



Fannie Mae™



MORTGAGE  
BANKERS  
ASSOCIATION  
OF PUERTO RICO



## Fannie Mae Technology Solutions Certainty. Efficiency. Opportunity.

Rosemary Maieron Norwood

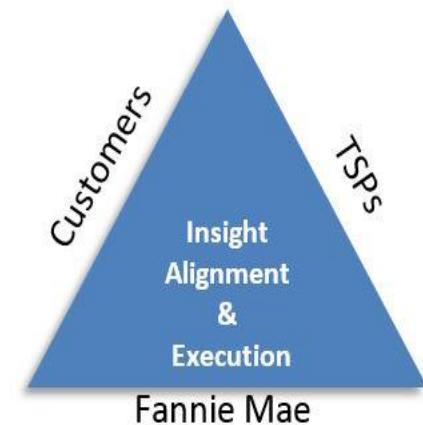


**Note:** This group meeting is intended to discuss general mortgage and housing industry challenges facing Fannie Mae and to afford an opportunity for those who do business with us to provide feedback as to how we can better serve our lenders and servicers. It is not intended to address individual lender or servicer issues or to conduct business with them. This meeting may include forward-looking statements and projects concerning expectations for the future, but actual conditions, events, or results may be very different as a result of a number of factors, so these forward-looking statements should not be construed as indicating Fannie Mae's business prospects or expected results.



## Discussion Topics

- Front-end Goals, Scope, and Timing
- 2016 Roadmap of Front-end Capabilities
  - Front-End Risk Management Tools
  - Delivery and Execution Tools
  - Business Tools





## Front-end Goals

GOAL - Simplified, integrated and agile platform enabling Day One Certainty

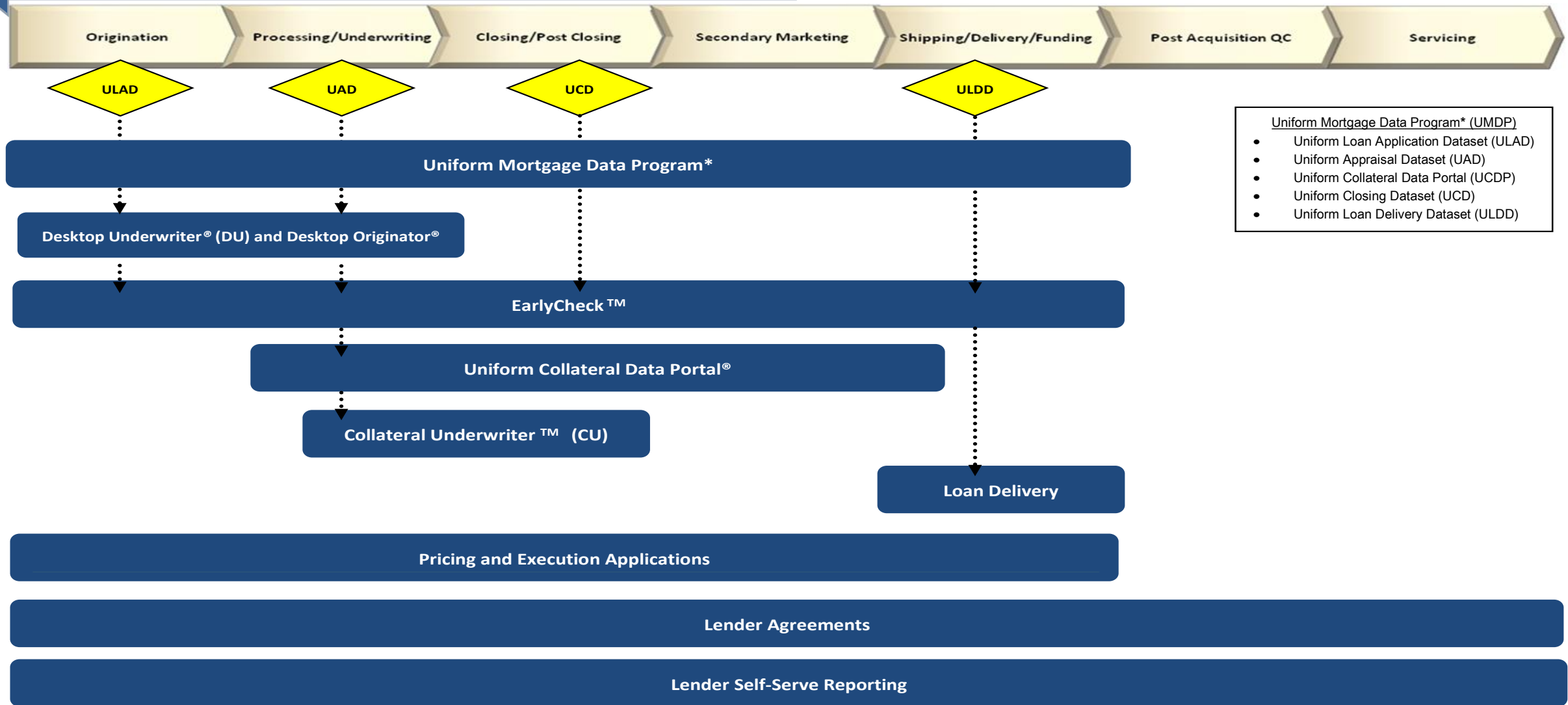
- We will look to deliver new and enhanced capabilities
- Re-engineer our business processes & policies enabling **increased business agility** and **efficiency**
- Enable us to provide our customers with **greater certainty**
- Invest in new innovative tools and solutions to make it **easy to do business with us**

## Scope and Timing

- Front-end initiatives are focused on building new and enhanced business capabilities at key points along the origination process from underwriting through post-purchase loan reviews
- Deploy capabilities in continuous release over next several years delivering noticeable and incremental improvements that are mutually beneficial for our customers, vendors, and Fannie Mae
- Customer and vendors ongoing feedback will be critical to our front-end reengineering efforts



Fannie Mae reengineered solutions drive certainty earlier in the process





# Desktop Underwriter® - Front-End Risk Management Tools

## DU® Version 10.0 release on June 25, 2016 – New Enhancements

- New scorecard that better predicts risk
- Borrowers with no credit score - automates selling guide requirements
- Borrowers with multiple financed properties - automates required reserved & selling guide eligibility requirements

## Additional Capabilities and Announcements

- Data Validation Services via Desktop Underwriter – as announced at MBA Annual last fall
  - Income Wage Data through Equifax's The Work Number® (TWN) – initial offering
  - Automates certain aspects of selling guide related to income calculations
- Revised URLA/1003, corresponding data set, and DU data specifications – Q3 announcement



# **UCDP ® - Front-End Risk Management Tools**

## **UCDP Appraisal Sharing Capability**

- UCDP appraisal sharing functionality – available since February

## **Correspondent Functionality**

- Ability to share individual appraisals with specific aggregators

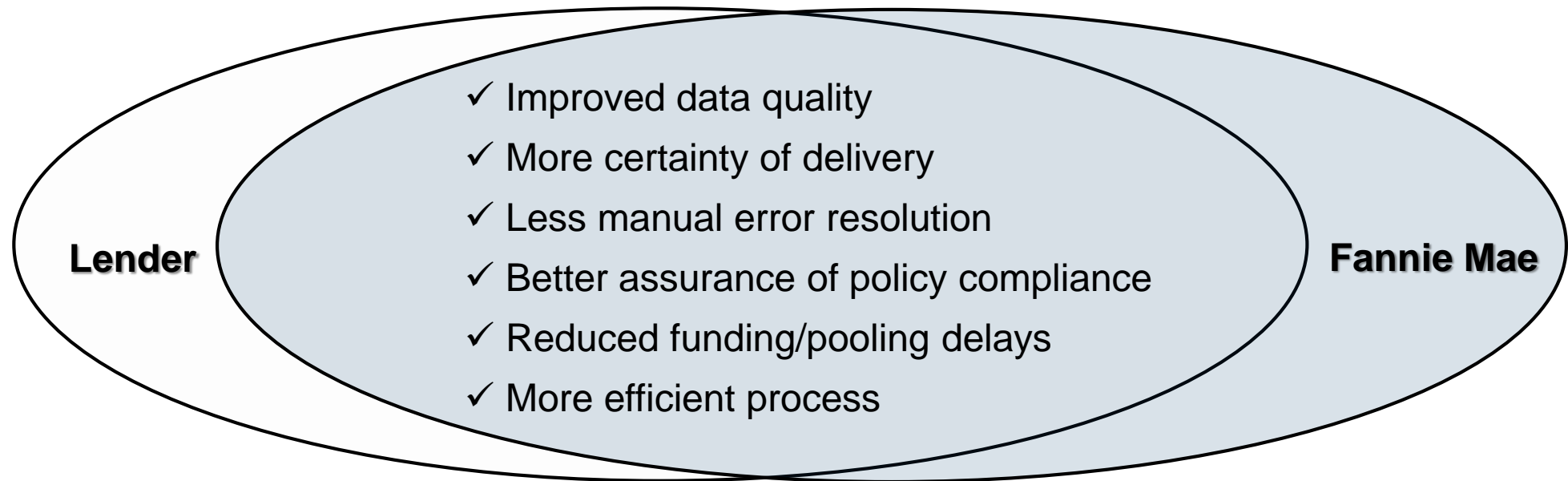
## **Aggregator Functionality**

- Ability to view correspondent-shared appraisals in UCDP
- Ability to regularly retrieve the Status, Findings, and Submission Summary Report for correspondent-shared appraisals
- Ability to retrieve the embedded PDF file for correspondent-shared appraisals via UCDP



# Early Check™ - Front-End Risk Management Tools

## Integrated Solution Improving Data Quality



- Provides access to Fannie Mae delivery edits at any point in the business process
- Lenders can identify and correct potential eligibility and/or data issues before delivery
- Available for all loans regardless of underwriting method – DU, Manually Underwritten, Other AUS



# Early Check™ - Front-End Risk Management Tools

## EarlyCheck Contains More than 900 Edits

Edit Type/Category	Example
<b>SSN</b>	▪ Borrower's SSN is out of expected range for borrower's birth date.
<b>Occupancy</b>	▪ Potential occupancy misrep -- borrower indicates the property will be owner-occupied but Fannie Mae already has an owner-occupied property for this borrower.
<b>DU Compare</b>	▪ Key data values in the file submitted to EarlyCheck do not match the loan's corresponding values in DU (e.g., LTV, amortization type). The values must match for a successful delivery to Fannie Mae.
<b><u>Appraisal Compare</u></b>	▪ <b>Key data values in the file submitted to EarlyCheck do not match the loan's corresponding values in UCDP (e.g., appraised value; appraisal form type).</b>
<b>Address/Unit #</b>	▪ The address provided should include a unit number, but none was provided.
<b>Eligibility</b>	▪ The calculated DTI for the loan exceeds the maximum allowable value.
<b>Required Values</b>	▪ A valid Mortgage Originator ID is required.





## **Delivery & Execution Tools**

### **Pricing & Execution – Whole Loan™ (PE - Whole Loan)**

- Combines whole loan committing for both mandatory (previously eCommitting™) and best efforts (previously eCommitONE®) executions on a single platform
- Provides a more user-friendly look and feel; Intuitive committing experience with multi-price downloads that offers pricing and execution efficiency

### **Pricing & Execution (PE) – MBS™**

- A web-based application that enables lenders to browse live guaranty fee pricing, and to create and manage mandatory commitments to deliver mortgage loans to Fannie Mae under MBS execution



# Loan Delivery – Delivery & Execution Tools

## **New Loan Delivery ... *Delivering Loans Just Got Easier***

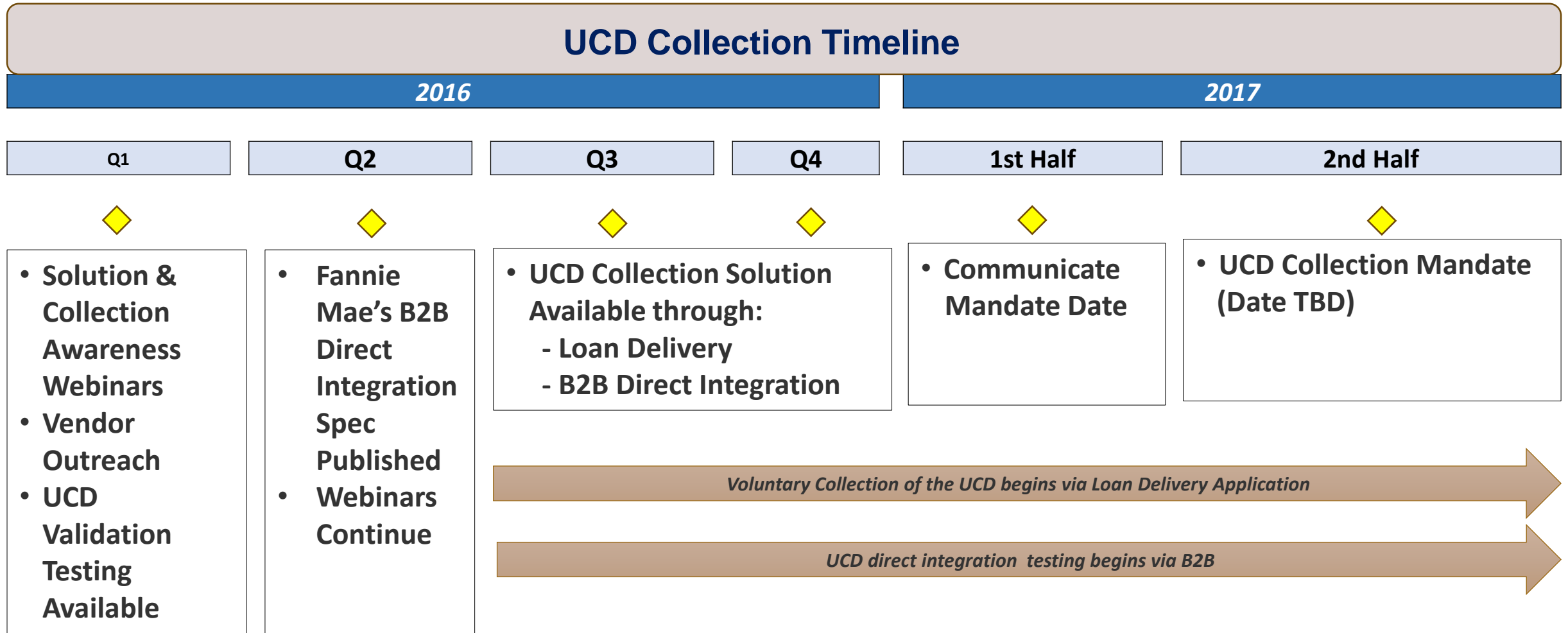
- Enhanced Loan Delivery providing a more powerful tool and improved user experience – making it easier to do business with Fannie Mae
  - Ease of Use ... Enhanced user interface
  - Greater Certainty ... Enhanced edit & reporting
  - Loan Quality ... Enhanced data & access changes

## **ULDD Phase 2 Data Set**

- Required for delivery on June 27, 2016 – for all loans with applications dated on or after March 1, 2014
- Customers are encouraged to transition to the ULDD Phase 2 XML file no later than April 1, 2016
- We will automatically derive and display 14 applicable Special Feature Codes (SFCs) associated with a loan by leveraging the ULDD Phase 2 data points



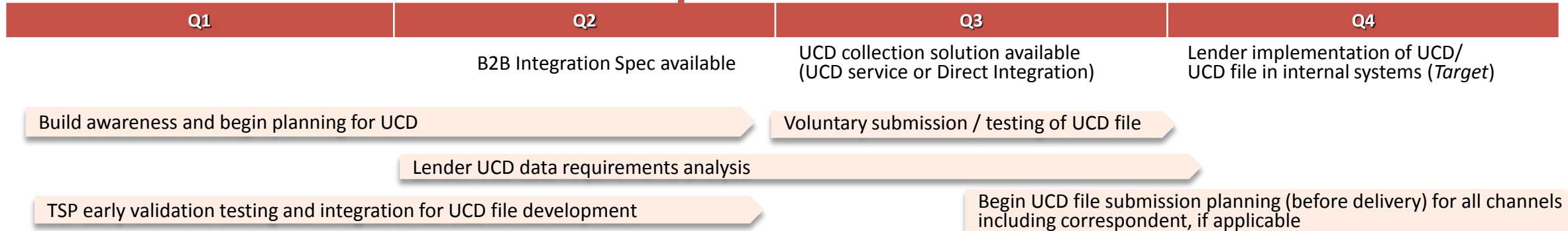
# Uniform Closing Dataset (UCD) – Delivery & Execution Tools





# Uniform Closing Dataset – Delivery & Execution Tools

## UCD Implementation Calendar



## Important Steps to Take Starting Now



### TRAINING

- ☐ Have you attended UCD Awareness webinars?
- ☐ Have you visited our UCD page and reviewed...
  - ☐ UCD Collection FAQs
  - ☐ Fact Sheet
  - ☐ Announcements
- ☐ If you are building direct integration for UCD, attend an upcoming "Implementation Tips" webinar
- ☐ Bookmark the UCD Page: [www.fanniemae.com/singlefamily/uniform-closing-dataset](http://www.fanniemae.com/singlefamily/uniform-closing-dataset)



### ANALYSIS

- ☐ Begin analyzing needed data for the UCD file:
  - ☐ QM data points
  - ☐ Casefile Identifier
  - ☐ Split Disclosure – does your system store the Seller Closing Disclosure?
- ☐ Implement the alternate form (for refinances)
- ☐ Establish a process for embedding the Closing Disclosure PDF(s) (signatures not required)
- ☐ Determine how to collect the seller Closing Disclosure and data
- ☐ Determine your correspondent process (*If applicable*)



### IMPLEMENTATION

- ☐ Establish an **internal work group** to lead UCD effort and coordinate with Technology Solution Provider (TSP) and Fannie Mae representatives
- ☐ Work with TSP or internal tech team to understand their **UCD file implementation timeline**
- ☐ Determine whether you will upload the file via new **UCD service or direct integration**; check with your vendor or technical team about direct integration
- ☐ Assess **what point in your process** you will upload UCD file to obtain UCD eligibility and data messaging
- ☐ Determine how your **correspondents** will submit the UCD file (*If applicable*)



# **Fannie Mae Connect<sup>TM</sup>** ... *Where Business and Data Connect*

*A new user-friendly portal launched in 2015 that streamlines and centralizes key Fannie Mae reports and data, making it easier to do business with us.*

## **Simplified Access to Data and Information**

- Fannie Mae data and information available in a single location
- No new registration required for current users

## **New Reports and Functionality**

- 20+ reports available including
  - Lender Dashboard
  - Loan Delivery Edit Dashboard
  - Other Message Manager Reports....and more to come!
- Introduced a new data download tool in February



## Upcoming Releases & Milestones

- June DU release – June 25
- ULDD Phase 2 Loan Delivery Mandate – June 27
- Uniform Closing Disclosure (UCD)
  - UCD Data File – Testing is open (December target for industry readiness)
  - B-to-B Integration
- Uniform Loan Application Dataset (ULAD) – Upcoming Announcement
- DU Data Validation – Q3 Income Validation, Equifax The Work Number
- PE Whole Loan – Ongoing Enhancements



## **Upcoming Releases & Milestones**

**Are We Headed in the Right Direction?**



**Preguntas**

**Gracias!**