

MPF Xtra® PFI Advisory

February 22, 2012

Special Attention: PFI MPF® Program Management and Origination Management

Subject: Uniform Loan Delivery Dataset (ULDD) Update

PFI Loan Origination System (LOS) Implementation

To help ensure PFIs will be ready to deliver a mandatory ULDD/XML data file under the MPF Xtra® product, we are publishing this PFI Advisory to assist PFIs with the implementation of a ULDD/XML compliant Loan Origination System (LOS).

PFIs should complete this process prior to the MPF Program implementation date of the system rules (currently scheduled for the period of June 30 and July 19, 2012) in order to have the ability to deliver loans under the MPF Xtra product. The delivery of a ULDD data file in the XML format will be the only method to complete the Loan Presentment process after the system rules implementation date. See the MPF Xtra PFI Advisory dated 01/23/12 for additional information.

Steps suggested for PFIs to implement an LOS for delivery of the required ULDD/XML file:

1. Identify an LOS vendor that has a ULDD/XML compliant LOS product available.

Depending on individual circumstances, PFIs may choose to work with either their existing LOS vendor or to seek out a new vendor that offers a ULDD/XML data file compliant LOS solution. See [ULDD Vendor List](#) to determine which vendors are currently prepared with a system solution. Note that vendors not on this list may still be working toward a system solution; call your vendor for additional details.

2. Discuss with your selected LOS vendor what its ULDD/XML delivery solution package includes to determine:

- A. What type of product will you receive? (new module, patch or update to your existing LOS, an entirely new LOS version, or some other option);
- B. Method of installation (on-site by LOS vendor, remotely via an internet upload, physical software install, etc.);
- C. System requirements;

- D. Vendor support for installation, training and testing;
- E. Schedule of implementation; and
- F. If the LOS will be able to accommodate the required data elements to complete the MPF Program's ULDD file. These data elements may be reviewed by accessing the MPF Program [Detailed Reference List of Required or Conditionally Required ULDD Fields](#) (MPF Program Detailed ULDD Reference List).

3. Install your new LOS and prepare your procedures for the delivery of the ULDD data elements

In your preparation for implementing the LOS, you may wish to consider the following:

- A. Identify or select personnel who will be needed to support the systemic and technical aspects of an LOS implementation; and
- B. Learn how to add data fields to support all required data elements after installation.

Note that each vendor's software may have a different approach to the addition of required fields; be sure to understand your vendor's approach. To help you and the LOS vendor identify which data elements may require customization, we have highlighted fields in the [MPF Program Detailed ULDD Reference List](#) that we believe are fields that may not be pre-programmed for data delivery.

4. Test your new LOS

A. PFI internal testing

After you install the ULDD/XML compliant LOS, you will need to test the functionality of the LOS (possibly with assistance from your LOS vendor):

1. Using your LOS and the [MPF Program Detailed ULDD Reference List](#), PFIs enter test data to form complete test ULDD files in the XML format. These test files may then be used when testing with both Fannie Mae and the MPF Program.
2. When forming test ULDD files, it is recommended that you create both "good" and "bad" test files in order to later observe errors encountered when testing with Fannie Mae and the MPF Program, which may help you to troubleshoot and correct errors encountered both in testing and during actual delivery of loan data.

Items to complete while testing (internally and through Fannie Mae and the MPF Program) should include:

1. Test both "good" and "bad" test files, which may aid with error resolution. Testing a good file which is successful, then modifying the good file with bad data may help with error resolution;
2. Learn to troubleshoot errors; and
3. Learn the process to understand and correct file errors.

B. Testing for ULDD/XML file format correctness through Fannie Mae:

Using the test files created in the step above, PFIs can verify the ULDD XML file is in the acceptable format by uploading good test files using the [Fannie Mae ULDD/XML Test Tool](#). This Fannie Mae test tool does not require a setup procedure or a login.

PFIs do not have to enter certain data required by Fannie Mae, since certain data will be provided by the MPF Program in the loan delivery process. Thus, using the [MPF Program Detailed ULDD Reference List](#), any fields not listed that are required to complete testing through the Fannie Mae test tool may be completed with “test” data (in the correct enumeration format).

You will find further information and assistance for using the Fannie XML test tool by accessing the [Test Tool Job Aid](#). Although the Test Tool Job Aid refers to two separate formats, please disregard any references to an “early readiness format,” since the applicable testing and final formatting will be required in the “mandate format” under the MPF Xtra product.

C. Testing the ULDD/XML file for delivery under the MPF Program:

After you successfully complete testing to ensure the file format is correct according to the Fannie Mae Test Tool, the next step in the testing process is to submit a correctly formatted file, according to the [MPF Program Detailed ULDD Reference List](#), to the MPF Program for testing.

To submit test files to the MPF Program:

1. Sign into the eMPF[®] Website using your existing username/password combination.
2. Click on the “Transaction Tab” in the upper portion of the screen, followed by selecting “Submit Batch” in the left hand column.
3. In the “Submit Batch” screen enter:
 - a. The appropriate Master Commitment (MC) number;
 - b. Batch Type: “LPR” (Loan Presentment) (*Select this type for testing*);

Do not select “LPR and Fund” for testing.

Selecting “LPR and Fund” may cause an accidental funding of a loan. If this occurs, the PFI must immediately call the MPF Service Center to reverse an erroneous loan funding. Although every effort will be made to correct an erroneous funding, the MPF Program will not be responsible for any transaction costs incurred due to an erroneous funding request.

- c. Batch File – Using the Browse button, you will be able to browse your own system to select and upload the ULDD/XML test files (test both “good” and “bad” test files to be able to interpret and learn to correct errors).

After a test file upload is complete, you will receive an email confirmation that will indicate whether the file contained any errors and direct you to the eMPF batch reports page for details. To access the batch reports in the eMPF website:

1. Click on the “Reports” tab;
2. Select a date range and click the “submit” button; and
3. Select the reports from a list that will appear on a new screen.

In the eMPF batch reports page, you can retrieve the Batch Detail Report for successful loans as well as the Batch Error Report for details informing you of the data fields that contain errors. If you are unable to resolve and correct the errors, please contact the MPF Xtra Service Center at 888-362-0011 for further information and assistance to correct and re-submit the test file.

5. Preparation for Live Use of your new LOS:

Steps you may consider after your testing is complete, but prior to actual use of the LOS are:

- A. Train staff that will use the LOS to collect and enter data, store data, transfer data files for loan delivery and manage post-delivery data corrections and re-submissions; and
- B. Determine your procedures for supporting the LOS on a daily basis, such as:
 - making changes to data delivery requirements as they may be revised based on future business requirements; and
 - troubleshooting and correcting errors that may be encountered during the delivery process.

6. Using eMPF for completing the Loan Presentment and Funding Process:

After you successfully complete the testing and preparation described in steps 4 and 5, you will be ready to complete both the Loan Presentment and Loan Funding processes described above for actual loans you wish to deliver under the MPF Xtra product.

In order to request a loan funding, select “LPR and Fund” in the “Batch Type” box of the Submit Batch Screen in the eMPF website. In addition, you will be required to provide a Post Closing Contact.

The Loan Presentment and Loan Funding confirmations that PFIs receive for interactive transactions (input manually in the Loan Presentment or Funding screens) will be replaced by the Batch Detail Report. See steps above (step 4C) for retrieval of batch reports.

If you are unable to resolve delivery issues due to missing or incorrect data in the ULDD file uploaded in this batch process, you will also have the option of completing the Loan Presentment manually via the eMPF website **until the MPF Program implements system rules sometime between June 30, 2012 and July 19, 2012 (see Key Dates below for more information) that will require batch delivery of the Loan Presentment in the ULDD/XML format.** We therefore highly recommend that you work with your LOS vendor and the MPF Program to resolve any ULDD file delivery issues prior to mandatory ULDD/XML delivery date.

KEY DATES

- **September 1, 2011 (Date of Appraisal)** – Appraisers must use new appraisal forms (known as “UAD” forms), with electronic standardized data, for appraisals completed on or after this date.
- **December 1, 2011 (Date of Application)** - PFIs must begin collection of appraisal files in electronic, standardized format in preparation for any loan delivery on or after March 19, 2012.
- **January 30, 2012 (Delivery Date)** – The MPF Program has implemented a system enhancement to accept loan data in the new XML/ULDD format. PFIs will have the option to either deliver an XML file or manually input Loan Presentments until XML data delivery is required at a later date.
- **March 19, 2012 (Delivery Date)** - Appraisal data must have been delivered via the UCDP portal, prior to funding under the MPF Xtra product, if the loan application date is on or after December 1, 2011 (delivery of an Appraisal Document File Identifier for Loan Presentment is not yet required).
- **TBD (Delivery Date) - Between June 30, 2012 and July 19, 2012**, the MPF Program will implement systemic rules that will require all loan data to be in the new XML format, regardless of loan application date. An Advisory or Notice will be published in the future to announce the date systemic rules will be implemented.

The Document File Identifier must be provided in the XML loan data delivery file to connect the submission of the delivered loan to the appraisal after this date.

UMDP PROJECT INFORMATION

The MPF Program will continue to provide PFI Advisories to keep PFIs informed of UMDP and UAD requirements. Past webinars and resources are available on the dedicated webpage for the UMDP project at [Uniform Mortgage Data Program Information for the MPF Xtra® Product](#).

In addition, we will continue to provide additional webinar training regarding both UMDP and UAD. Watch the Webinar Training Calendar under the Education link at [Webinar Training Calendar](#) for more information on upcoming UMDP and UAD webinars.

We look forward to continuing our work with all of our partners on this important initiative.

If you have any questions, please contact your MPF Bank Representative or call the MPF Xtra Service Center at 888-362-0011.