

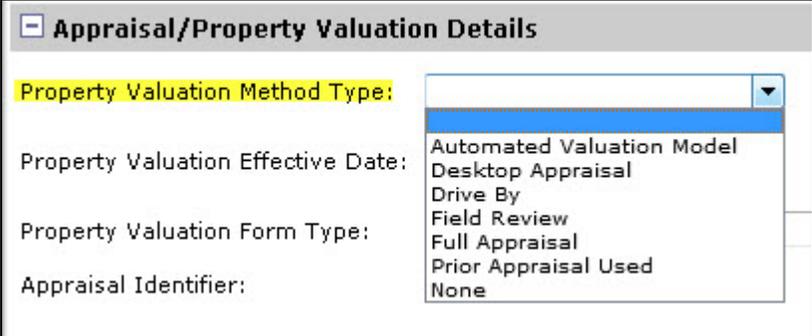
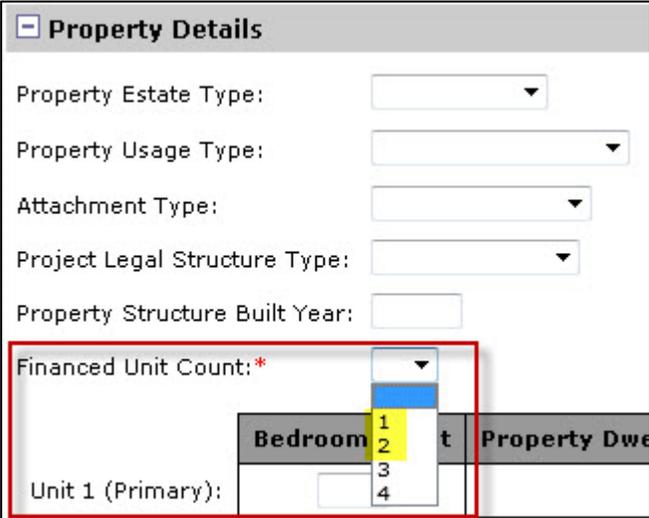
The selling system loan delivery edit messages were expanded in accordance with the requirements of the Uniform Loan Delivery Dataset (ULDD). The new messages identify the type of error, the general location of the error and provide guidance on why the error occurred.

The selling system returns error messages (also known as loan or purchase edits) when you evaluate a loan to notify you that the data entered is incorrect, or should be validated. All critical errors must be cleared before the loan can move to settlement (also known as funding or purchase).

It is important to note that entering erroneous data in a single data field can cause multiple error messages and clearing these edits may, in turn, clear multiple edits. For example, if you enter invalid data in the Mortgage Insurance Coverage Percent field, it can cause errors due to discrepancies in loan compliance, completeness, eligibility, reasonableness, etc. Therefore, your loan may receive multiple compliance errors in various error categories such as Loan-to-Value, Property, Data Quality (DQ) and more. Similarly, multiple edits may clear after you correct the one erroneous data field and re-evaluate the loan.

The following table contains examples of common critical error types, error messages and tips on how to clear them. Most of the data points in the examples are located in the Closing tab; however, when the data point is located in a different tab, the instructions guide you to their location. Please note these tables are not all inclusive and are subject to change. Refer to Guide Chapter 6302 for more details on mortgage delivery instructions.

Error Type	Message	How to Resolve
<p><b>Determine Property Valuation Compliance</b></p>	<p>For Relief Refinance Mortgages, the Investor Feature Identifier must be H03 when the AVM Model Name Type is Home Value Explorer.</p>	<ol style="list-style-type: none"> <li>1. Ensure you have used HVE on the loan you are delivering.</li> <li>2. Click the Current Tab.</li> <li>3. Go to the Investor Feature Identifier.</li> <li>4. Enter code H03 (H Zero 3).</li> </ol> <div data-bbox="544 1094 1523 1478" style="border: 1px solid black; padding: 5px;"> <p><b>Product Details</b></p> <p>Loan Program Identifier: <input type="text" value="Loan Program Identifier"/></p> <p style="text-align: center;"> <input type="button" value="Add Loan Program Identifier"/> <input type="button" value="Remove Selected"/> </p> <p>Refinance Program Identifier: <input type="text"/></p> <p>Investor Feature Identifier: <input type="text" value="H03"/></p> </div> <ol style="list-style-type: none"> <li>5. Re-evaluate the loan to confirm that the edit has been cleared.</li> </ol>

Error Type	Message	How to Resolve
<p><b>Determine Property Valuation Compliance</b> (cont'd)</p>	<p>The Property Valuation Method Type must be... (Full appraisal, Drive By, Prior Appraisal Used, etc.)</p>	<ol style="list-style-type: none"> <li>Go to the Property Valuation Method Type.</li> <li>Click the drop-down menu and make your selection (must be based on the method used to assess the property value). The choices are:  <b>Full Appraisal</b> – select if applicable  <b>Drive By</b> – select if an exterior-only appraisal was used to value the subject property  <b>Field Review</b> – select if applicable  <b>Prior Appraisal Used</b> – select if applicable  <b>Desktop Appraisal</b> – select if applicable  <b>Automated Valuation Model</b> – select if Home Value Explorer (HVE) was used to value the subject property  <b>None</b> – select if a Loan Prospector Home Value Model was used                     </li> </ol>  <ol style="list-style-type: none"> <li>Re-evaluate the loan to confirm that the edit has been cleared.</li> </ol>
	<p>A Freddie Mac Relief Refinance Mortgage must be secured by a 1- to 2-unit property when Home Value Explorer is used to determine value.</p>	<ol style="list-style-type: none"> <li>Ensure you have used HVE on the loan you are delivering.</li> <li>Go to Financed Unit Count.</li> <li>Click the drop-down menu and select either 1 or 2 (units). If you select 3 or 4 (units), the loan is ineligible for sale to Freddie Mac under this program.</li> </ol>  <ol style="list-style-type: none"> <li>Re-evaluate the loan to confirm that the edit has been cleared.</li> </ol>

Error Type	Message	How to Resolve
<p><b>Determine MI (Mortgage Insurance) Compliance</b></p>	<p>The MI Coverage Percent (Subject Loan, Current) is not populated.</p>	<ol style="list-style-type: none"> <li>Click the Current tab</li> <li>Go to MI Coverage Percent</li> <li>Enter the MI Coverage Percent using up to four decimal points. <i>For example, enter 25.0000</i></li> </ol> <div data-bbox="574 449 1474 726" style="border: 1px solid black; padding: 5px;"> <p><b>Mortgage Insurance Details</b></p> <p>MI Company Name Type: <input type="text"/></p> <p>MI Certificate Identifier: <input type="text"/></p> <p>MI Coverage Percent: <input style="border: 1px solid red;" type="text" value="25.0000"/> %</p> <p>Lender Paid MI Interest Rate Adjustment Percent: <input type="text"/> %</p> </div> <ol style="list-style-type: none"> <li>Reevaluate the loan to ensure the edit has been removed.</li> </ol>
	<p>A mortgage with financed mortgage insurance must be secured by a 1-unit property.</p> <p style="text-align: center;">OR</p> <p>A mortgage with financed mortgage insurance must be a primary residence or second home.</p>	<ol style="list-style-type: none"> <li>Go to the Property Usage Type</li> <li>Click the drop down-menu and select Primary Residence or Second Home</li> </ol> <div data-bbox="574 886 1230 1276" style="border: 1px solid black; padding: 5px;"> <p><b>Property Details</b></p> <p>Property Estate Type: <input type="text"/></p> <p><b>Property Usage Type:</b> <input type="text" value="Primary Residence"/></p> <p>Attachment Type: <input type="text"/></p> <p>Project Legal Structure Type: <input type="text"/></p> <p>Property Structure Built Year: <input type="text"/></p> <p>Financed Unit Count:* <input type="text"/></p> </div> <ol style="list-style-type: none"> <li>Go to Financed Unit Count</li> <li>Click the drop down menu and select 1 (unit)</li> </ol> <div data-bbox="574 1394 1230 1785" style="border: 1px solid black; padding: 5px;"> <p><b>Property Details</b></p> <p>Property Estate Type: <input type="text"/></p> <p>Property Usage Type: <input type="text"/></p> <p>Attachment Type: <input type="text"/></p> <p>Project Legal Structure Type: <input type="text"/></p> <p>Property Structure Built Year: <input type="text"/></p> <p><b>Financed Unit Count:*</b> <input style="border: 1px solid blue;" type="text" value="1"/></p> </div> <ol style="list-style-type: none"> <li>Re-evaluate the loan to confirm that the edit has been cleared.</li> </ol>

Error Type	Message	How to Resolve																
<b>Determine MI (Mortgage Insurance) Compliance (cont'd)</b>	The Primary MI Absence Reason Type (Subject Loan, Current) of No MI Based on Mortgage Being Refinanced is not eligible for this program.	<ol style="list-style-type: none"> <li>Click the Current tab.</li> <li>Go to Primary MI Absence Reason Type.</li> <li>Click the drop-down menu and select a valid reason based on the details of the loan you are delivering. <div data-bbox="500 520 1528 758" style="border: 1px solid gray; padding: 5px; margin: 10px 0;"> <div style="background-color: #f0f0f0; padding: 2px;"><b>Mortgage Insurance Details</b></div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">MI Company Name Type:</td> <td style="width: 33%;"><input type="text"/></td> <td style="width: 33%;">MI Premium Financed Indicator:</td> <td><input type="text"/></td> </tr> <tr> <td>MI Certificate Identifier:</td> <td><input type="text"/></td> <td>MI Premium Financed Amount:</td> <td>\$ <input type="text"/></td> </tr> <tr> <td>MI Coverage Percent:</td> <td>25.0000 %</td> <td>MI Premium Source Type:</td> <td><input type="text"/></td> </tr> <tr> <td>Lender Paid MI Interest Rate Adjustment Percent:</td> <td><input type="text"/></td> <td><b>Primary MI Absence Reason Type:</b></td> <td><input type="text" value="Indemnification In Lieu Of MI"/></td> </tr> </table> <div style="font-size: 8px; border: 1px solid gray; padding: 2px; margin-top: 2px;"> Indemnification In Lieu Of MI  MI Canceled Based On Current LTV  No MI Based On Investor Requirements  No MI Based On Mortgage Being Refinanced  No MI Based On Original LTV  Recourse In Lieu Of MI </div> </div> </li> <li>Re-evaluate the loan to confirm that the edit has been cleared.</li> </ol> <p>Note: If the mortgage you are delivering is a Relief Refinance, you must select NO MI Based on Mortgage Being Refinanced and ensure the other pertinent delivery data points contain the correct data required for the Relief Refinance program.</p>	MI Company Name Type:	<input type="text"/>	MI Premium Financed Indicator:	<input type="text"/>	MI Certificate Identifier:	<input type="text"/>	MI Premium Financed Amount:	\$ <input type="text"/>	MI Coverage Percent:	25.0000 %	MI Premium Source Type:	<input type="text"/>	Lender Paid MI Interest Rate Adjustment Percent:	<input type="text"/>	<b>Primary MI Absence Reason Type:</b>	<input type="text" value="Indemnification In Lieu Of MI"/>
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### General Information for resolving edits:

This section provides tips on how to resolve errors and general information to assist you with using the selling system:

- Critical errors (purchase edits) will prevent a loan from moving to a Ready to Fund status. You must correct all critical errors in order to move a loan into the settlement cycle.  
Loans must be evaluated against the contract before they can move into the settlement cycle.
- Depending on your internal delivery process, you may choose to evaluate loans before and after allocating loans to a contract.
- You can clear critical errors in any order you choose; however, Freddie Mac recommends that you start by clearing the errors based on the error category. Begin by clearing Data Quality purchase edits, and then re-evaluate the loan to see if additional edits remain. If additional edits remain, work through each edit and re-evaluate the loan to ensure all critical errors have been cleared. Use the following priority list of error categories:
  1. Data Quality
  2. Program Eligibility
  3. General Credit
  4. LTV/TLTV/HTLTV
  5. FICO AUS
  6. MI
  7. Property Compliance
  8. Property Valuation

Duplicate error messages will display due to the compliance checks performed by the selling system for Property, Loan-to-Value, Mortgage Insurance, etc. For example, you may see repeated error messages that display under separate headers such as: Debt to Income Compliance (Manufactured Homes), Debt-to-Income Compliance (Super Conforming), Debt to Income Compliance (Newly Constructed Home), etc.

The error may have resulted from erroneous information entered or missing information for a single data field. After you correct the data and re-evaluate the loan, the edits will be cleared. In other words, correcting a single data point may clear multiple edits.

- You can quickly locate a data point by using the search feature. To begin your search, click “Ctrl F.” When the search box opens, enter the name of the data point you are searching for and the system will automatically highlight it for you.
- Use field-level help to assist you in understanding the data point delivery requirements. Field-level help is available in the Create New and Modify loan screens. Simply click on the data point name to open the help window and learn about the data point delivery requirements.
- There are specific data points that must be entered in the selling system in order to correctly label a loan. Labeling the loan must occur before the loan can be allocated to a contract. If the required data points are not complete, a message displays at the top of the Create/Modify Loan screen: “Loan Reference Product: Not Labeled.”

To learn more about labeling a loan, click: [Required Data Points to Label a Loan for ULDD](#)

- Guide Chapter 6302 contains Mortgage Delivery Instructions. Included in this chapter are general delivery requirements for Mortgages sold under the Cash, Guarantor and MultiLender Swap programs, as well as special instructions applicable to certain mortgages that have specific characteristics. The ULDD Data Points required for delivery of all mortgages sold to Freddie Mac are described in this chapter.

If you have questions regarding loan delivery edits or how to clear them, please contact Customer Support (call 800-FREDDIE, select Option “3”).