



TO: Correspondent Lenders
FROM: Angela Breidenbach, Operations Manager
DATE: February 22, 2012
RE: UNIFORM LOAN DELIVERY DATA – DATA MATCH
UCDP FINDINGS – REMINDER
FHA CASE FILE ASSIGNMENTS
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UNIFORM LOAN DELIVERY DATA – DATA MATCH

As indicated in the Cornerstone Correspondent Lender memo dated February 10, 2010, Freddie Mac and Fannie Mae have recently rolled out Phase 3 of the ULDD (Uniform Loan Delivery Data) guidelines to lenders that securitize loans directly to both agencies.

The edits involved are numerous, confusing, and seem to be ever changing (much like most things in our industry). The bottom line is that, in order to avoid delivery errors, there are numerous data fields that must match EXACTLY. At this point, some of the edits are only being flagged as warnings, but will change to FATAL errors in the future (that is as bad as it sounds). Others are already being flagged as fatal errors.

Here is a list of errors that Cornerstone is currently receiving from the agencies:

- Borrower(s) name(s) on the final AUS does not match the names shown on the Note and Deed of Trust.
- Originating Lender name does not match on the Note, Deed of Trust and Appraisal.
- Property address (including house number, street, city, state and zip) does not match throughout the file (example: 1234 Anywhere vs. 1234 Anywhere Drive – ok to abbreviate Dr, St, Ln, etc).
- Social Security number(s) do not match between loan documents and AUS.
- DU does not indicate Project Classification (if PUD or Condo).
- Income does not match on 1008, 1003 and AUS.
- Debt does not match on 1008, 1003 and AUS.
- Hazard insurance does not match on 1008, 1003 and AUS.
- Taxes do not match on 1008, 1003 and AUS.
- First time homebuyer status incorrectly identified on 1003.

Therefore, beginning with loans reviewed for purchase, on or after April 1, 2012, Cornerstone will suspend for items shown above.

It is imperative that you scrub your files, prior to delivery, to insure that all data matches. For a complete list of all ULDD edits, you may visit the following site: <https://www.efanniemae.com/sf/lqi/> (Note: this applies to both FNMA and FHLMC)

UCDP FINDINGS - REMINDER

As you are aware, all conventional loans with application dates on or after 12/1/11, must be run through UCDP (Uniform Collateral Data Portal), and receive satisfactory results.

AS A REMINDER, findings from both agencies (FNMA and FHLMC) are required on every transaction.

We are noticing that files being submitted for purchase contain one or the other. They must contain both. Most Loan Origination Systems should have interfaces to both agencies. If yours does not, please contact your software provider for assistance. Cornerstone will be unable to purchase loans without both sets of findings.

ADDITIONALLY, all FHA loans with Case Number Assignments on or after January 1, 2012, must be run through UCDP and receive satisfactory results. Just as with conventional loans, you must provide findings from both agencies.

FHA CASE FILE ASSIGNMENTS

Copies of Case File Assignments are required on all FHA submissions. If you have not already done so, please be sure to include these in your purchase submissions. Failure to do so, will result in suspense and possible extension fees.

TX EQUITY POA OVERLAY

Due to inherent risk involved in TX Equity loans closed via power of attorney, Cornerstone is implementing an overlay, effective immediately, prohibiting purchase of TX Equity loans where one (or both) of the borrowers signs closing documents under a power of attorney.

For a complete list of our overlays, please visit the Overlays section of our web-site: <http://chlcorrespondent.com>.

Don't hesitate to contact us if you have questions regarding these, or any other issues. We can be reached as follows: abreidenbach@houseloan.com or (505)814-7784, jposen@houseloan.com or (505)814-7788, ncorlett@houseloan.com or (214-780-0770).

As always, your business is greatly appreciated!