

APPENDIX 8
EDI DOCUMENTATION

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APPENDIX 8 MORTGAGE REPORTING

Through the use of EDI, SFHGLP all servicers utilize a direct computer application-to-computer application exchange of standardized information between private industry and the Agency. Lenders will utilize the USDA Lender Interactive Network Connection (LINC) website at: <https://usdalinc.sc.egov.usda.gov/RHShome.do>. This website is utilized for the purpose of reporting quarterly status for all SFHGLP portfolio and monthly default status reports of delinquent SFHGLP loans. Quarterly reports are required as of March 31, June 30, September 30 and December 31. Lenders can refer to the “EDI Implementation Guide” at the noted website for successful implementation of EDI. Select the “Training and Resource” link under the Single Family Housing menu. The EDI Implementation Guide is under the Documentation and Resource menu of EDI.

With EDI, if you are lender with less than 100 loans, you can:

- Enter on-line quarterly status reports on the Web Reporting Input screens;
- Review on-line quarterly status reports;
- Enter on-line monthly default status reports on the Web Reporting Input screens; and
- Review on-line monthly default status reports.

If you are lender with 100 or more loans, you can:

- Send EDI x 12 files for transaction set (TS) 203, Secondary Mortgage Market Investor Report, and TS 264, Mortgage Loan Default Status;
- View and print the EDI x 12 File transfer Confirmation page;
- Retrieve EDI X12 transaction file receipts for TS 203 and TS 264 via EDI;
- Determine if the transferred EDI X12 file was accepted; and
- Retrieve EDI X12 transaction files that were not accepted.

STATUS OF MORTGAGE CODES – DELINQUENCY REPORTING

The following is a description of specific delinquency status codes that are utilized by reporting lenders to best describe the latest action taken to cure a delinquency or liquidate the mortgage. Only one delinquency status code can be reported for an individual mortgage in any given month, although over the course of a delinquency different codes could apply. Lenders must report on the loan through payment of the loss claim.

GLS Code Value	Value Name	EDI Code Value	Definition
20	Account Delinquent	42	SFHGLP account is past due.
21	Forbearance	9 & 12	Status assigned during the temporary suspension of loan payments or a repayment plan that calls for periodic payments of less than the normal monthly payment, or periodic payments at different intervals, to give the borrower additional time to bring the mortgage current.
22	Modification Pending	28	Lender is working with borrower to renegotiate the terms of the mortgage.
24	Deed-in-Lieu Pending	44	The Agency has authorized the lender to accept a voluntary conveyance of the property instead of initiating foreclosure proceedings.
25	Forced Liquidation Pending	43	The lender has referred the case to an attorney to take legal action to acquire the property through a foreclosure sale.
26	Liquidation Complete	30	Foreclosure proceedings are complete.
27	Bankruptcy Filed	59, 65, 66, 67	The borrower has filed bankruptcy under Chapter 7, 11 or 13 of the Federal Bankruptcy Act.

29	Account Reinstated and Current		
30	Brought Current (For display of history only on MA50; cannot be entered)		
31	Real Estate Owned	45 & 47	Title to the REO is vested in the lender.
32	Account Reported Delinquent on 203 Quarterly Status Report (For display only on MA50)		
33	Account brought current with 203 Quarterly Status Report (For display only on MA50)		
34	Account brought current with automatic Bring Loans Current process (For display only on MA50)		
35	Loss Claim Submitted	11	Status assigned when loss claim filed.

- Codes in Bold are considered delinquent. Codes 26, 31, & 35 are post liquidation of the account by the lender and are not counted as delinquent loans.

STATUS REASON CODES

The lender must specify a reason for delinquency that best describes the primary reason for delinquency. Although several different reasons could apply to an individual mortgage, the lender must select the code that reflects the principal contributing factor to the delinquency as follows.

Code Value	Value Name	Definition
001	Death of Principal Mortgagor	The principal borrower has died.
002	Illness of Principal Mortgagor	A prolonged illness keeps the principal borrower from working and generating income.
003	Illness of Mortgagor’s Family Member	The principal borrower has incurred extraordinary expenses because of the illness of a family member (or because of taking on sole responsibility for repayment of the mortgage debt as a result of the co-borrower’s illness).
004	Death of Mortgagor’s Family member	The principal borrower has incurred extraordinary expenses as a result of the death of a family member (or because of taking on sole responsibility for repayment of the mortgage as a result of the co-borrower’s death).

005	Marital Difficulties	Problems associated with separation or divorce – such as a dispute over ownership of the property, a decision not to make payments until divorce settlement is final, a reduction in the income available to repay the mortgage debt, etc. – are affecting the borrower’s ability to make mortgage payments.
006	Curtailments of Income	The borrower’s income has been reduced, because of a garnishment of wages, a change to a lower payment job, reduced commissions or overtime pay, loss of part-time job, etc.
007	Excessive Obligations	The borrower has incurred excessive debts, (either in a single instance or built up over time) that prevent him or her from making payments on both those debts and the mortgage debt. Same income, including habitual nonpayment of debts.
008	Abandonment of Property	The borrower has abandoned the property for reasons that are not known (because you have been unable to locate the borrower).
009	Distant Employment Transfer	The principal borrower has been transferred or relocated to a distant job location. The additional expenses for moving and housing in the new location have affected his or her ability to pay those expenses and the mortgage debt.
010	Neighborhood Problem	The dissatisfaction with the property or the neighborhood is affecting the borrower’s willingness to pay the mortgage.
011	Property Problem	The condition of the property (substandard construction, expensive and extensive repairs needed, subsidence or sinkholes on property, impaired rights of ingress and egress, etc.) is affecting the borrower’s willingness to pay the mortgage.
012	Inability to Sell Property	The borrower is having difficulty selling the property.

013	Inability to Rent Property	The borrower needs rental income to make the mortgage payments and is having difficulty in finding a tenant for a one-family investment property.
014	Military Service	The principal borrower has been called to active duet, but his or her military pay is not sufficient to continue to pay the existing mortgage debt.
015	Other	The delinquency is attributable to reasons that are not otherwise included in this list of codes.

QUARTERLY PORTFOLIO ACTIVITY

On a quarterly basis SFHGLP servicers update balances on all SFHGLP loans in their portfolio. This assists in maintaining contingent liability for losses in the Agency’s accounting records. Servicers report electronically through the LINC website noted above. The following are investor reporting action codes. A payoff removes the loan liability from the Agency’s database. Do not utilize the payoff code for loans transferred to holders that have been acquired in liquidation.

Code Value	Value Name	Definition
01	None	The loan remains active in the lender’s portfolio.
09	Payoff	Code utilized to report that a loan has been paid in full at, or prior to, maturity.