



**TO: Distribution**

**DATE: January 22, 2020**

**RE: CMG Financial Correspondent Lending Updates**

**EFFECTIVE: As noted below**

### **CMG FINANCIAL CORRESPONDENT LENDING UPDATES**

#### **Topics Covered in this Announcement:**

- Conventional Conforming Underwriting Reminder- SFC Codes

#### **CONVENTIONAL CONFORMING UNDERWRITING REMINDER-SFC CODES**

**Summary:** As a reminder, some special feature codes are auto-derived and some must be manually entered into the ULDD screen by the underwriter.

For example: Fannie Mae requires that each borrower has a valid Social Security number. DU and Loan Delivery may identify data integrity issues pertaining to the borrower's Social Security number. Lenders must take steps to resolve any issues, including numbers not issued, borrower age/issue date discrepancies, or Social Security numbers associated with deceased individuals. If a lender cannot resolve any Social Security number inconsistencies:

- The lender must validate the Social Security number with the Social Security Administration (SSA). Direct validation with SSA by a third party is acceptable. SSA-89 (Authorization for the Social Security Administration to Release Social Security Number [SSN] Verification) must be used for this purpose. If using a third-party vendor, the lender must ensure that the vendor goes directly to the SSA to validate the Social Security numbers. It is important to note that most standard vendor reports are not direct SSA validations and, therefore, do not satisfy Fannie Mae's requirements.
- **Upon positive validation of the Social Security number with the SSA, the lender must deliver the loan with SFC 162. SFC 162 should only be used if there is a discrepancy identified with the Social Security number (for example, identified via Loan Delivery edits), and the Social Security number was validated through the SSA.**
- If the Social Security number cannot be validated with the SSA, the loan is not eligible for delivery to Fannie Mae.

If the borrower's Social Security number format is invalid and the borrower cannot provide a valid Social Security number, the loan is not eligible for delivery to Fannie Mae.

**Effective Date:** *N/A this is a reminder*

•

***Please contact your Correspondent National Sales Manager  
or your Correspondent Liaison with any questions.***



© 2020 CMG Financial, All Rights Reserved. CMG Financial is a registered trade name of CMG Mortgage, Inc., NMLS #1820 in most, but not all states. CMG Mortgage, Inc. is an equal opportunity lender, licensed by the Department of Business Oversight under the California Residential Mortgage Lending Act No. 4150025, California Finance Lenders Law No. 6053674. For information about our company, please visit us at [www.cmgfi.com](http://www.cmgfi.com). To verify our complete list of state licenses, please visit [www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org). For more information on State licenses, please visit <http://www.cmgfi.com/corporate/licensing>.

[Unsubscribe here.](#) if you don't wish to receive these messages in the future.  
null, null null