



Multifamily Mortgage Business Lender Letter 19-09

October 24, 2019

To: Fannie Mae Multifamily Lenders
From: Brian Hunt, Director, Multifamily Chief Operating Office
Subject: New Data Standardization Requirements

Highlights

Fannie Mae is establishing structured data set requirements to be delivered with the following third-party reports:

- Property Condition Assessment (PCA);
- Environmental Site Assessment (ESA);
- Zoning; and
- Seismic Risk Assessment (SRA).

These new requirements will go into effect in mid-2020. Lenders should work with their third-party report providers to ensure that they are prepared to adopt and deliver data in accordance with these requirements.

New Standard Data Set Requirements

At the request of the Technology Innovation Subcommittee (TISC), Fannie Mae has established standardized data set requirements to be delivered to Fannie Mae as a data supplement to these four third-party reports required as part of the underwriting process:

- Property Condition Assessment;
- Environmental Site Assessment (Phase I and, if applicable, Phase II);
- Zoning Report; and
- Seismic Risk Assessment (including the Form 4099.C-Structural Risk Evaluation Questionnaire and any required Seismic Risk Assessment).

Fannie Mae and TISC Lender members have identified the critical data sets for each of these reports and established the technical specifications necessary to facilitate the transmission of structured data. We have also partnered with Lenders to solicit and incorporate feedback from third-party report vendors. Note that the requirements for the narratives for these reports will **not** be changing; we will simply be requiring a structured data supplement to accompany the report narrative.

This project is part of our ongoing efforts to make it easier to do business with us. Structured data provides both Fannie Mae and our Lenders with data in a format that facilitates digital transaction processing and analytics, and also reduces data re-entry.

Between now and mid-2020, Lenders should work with their third-party report vendors to establish the necessary capability on the part of that vendor to send, and on the part of the Lender to receive, the required structured data supplements. We will work closely with you and provide support throughout the process. Over the coming months, we will be updating affected Guide provisions and Forms to provide additional guidance to you and your third-party report vendors.

Going forward, we will continue to seek your input in establishing the requirements for delivery of data supplements to Fannie Mae. We know building out APIs or other submission mechanisms will take time and that interim solutions may be necessary. We will solidify the plan for submission of data supplements to Fannie Mae as we advance the adoption of standards with third-party report vendors. Please keep all these activities in mind when planning for 2020.

Scope of Impacted Reports

Data supplements will be required to be delivered by your third-party report vendors for these four reports. The number of structured data fields required for each are detailed in the Fannie Mae DUS[®] Third-Party [Report Standards](#) and include:

- **Property Condition Assessment Report Supplement:** 101 fields (note that as part of this work, we will take into consideration the existing Multifamily Form 4099.E. (Property Condition Report Template);
- **Environmental Site Assessment Report Supplement:** 67 fields;
- **Zoning Report Supplement:** 37 fields; and
- **Seismic Risk Assessment Report Supplement:** 51 fields.

Additional data fields may continue to be submitted as part of the report narratives; only the above data fields are necessary in the report supplements.

Action Required

Please contact each of your report vendors to advise them of this coming change and its impact on how their reports must be delivered. Please review the Fannie Mae DUS Third-Party [Report Specifications Package](#), share them with your third-party report vendors, and make sure that they are taking all actions necessary to comply with these requirements when they take effect next year.

We have scheduled informational calls to review the technical specifications in detail and answer any Lender questions. Please click below to add a session to your calendar.

- [Thursday October 31 at 11:00 a.m. ET](#); and
- [Tuesday November 5 at 4:00 PM ET](#)

Effective Date

The standardized data sets will be required for all reports beginning sometime in mid-2020. Additional information regarding specific deadlines will be communicated later this year.

Contact Us

Please contact Dario Canal at 202-752-4423, or data_standardization@fanniemae.com, with any questions.