

January 29, 2013

## Uniform Appraisal Dataset Update and Uniform Collateral Data Portal Release Notification

As communicated in the September UAD Update, Fannie Mae and Freddie Mac (the GSEs) will convert several of the current Uniform Appraisal Dataset (UAD) compliance warning edits to fatal UAD edits in the Uniform Collateral Data Portal® (UCDP®) during 2013. We are targeting implementation of the first phase in June 2013, with warning edits for the following data fields converting to fatal UAD edits:

- Appraisal effective date
- Subject contract price and comparable sale price
- Above grade Gross Living Area (GLA) (subject and comparables)
- Sale type (subject and comparables)

Warning edits for the following data fields will convert to fatal UAD edits in phases that will be scheduled during the second half of the year:

- Subject and comparable address (including unit number for condominiums)
- Subject contract date/ Comparable date of sale/time
- Condition rating (subject and comparables)
- Quality of construction rating (subject and comparables)
- Location rating (subject and comparables)
- View rating (subject and comparables)

Each of the data fields in the lists above has associated UAD edits that will be returned by the UCDP if the data provided is incomplete or in an invalid format as defined in the Fannie Mae and Freddie Mac UAD Specifications. After these warning edits are converted to fatal UAD edits, if one or more of these edits is issued, it will result in Hard Stop 401 (UAD Compliance Check Failure) and a “Not Successful” status will be issued in the UCDP. If the lender or appraisal vendor receives a “Not Successful” status in the UCDP, the lender or vendor must resubmit a corrected appraisal with the required data in the correct format to ensure a “Successful” status.

The conversion of edits from warning to fatal will apply to the four UAD forms:

- *Uniform Residential Appraisal Report* (Fannie Mae Form 1004/ Freddie Mac Form 70)
- *Individual Condominium Unit Appraisal Report* (Fannie Mae Form 1073/ Freddie Mac Form 465)
- *Exterior-Only Inspection Individual Condominium Unit Appraisal Report* (Fannie Mae Form 1075/ Freddie Mac Form 466)
- *Exterior-Only Inspection Residential Appraisal Report* (Fannie Mae and Freddie Mac Form 2055)

The UAD messages for the data fields that will convert from warning edits to fatal UAD edits in June 2013 are provided in the tables below:

## Subject Property Messages

Data Field Name	Subject Property Form Field Name	UAD Compliance Message ID	Message
<b>Appraisal Effective Date</b>	Effective Date of Appraisal	5277, 5278, 5279	The effective date of the appraisal must be provided in mm/dd/yyyy format, and must match the effective date in the Reconciliation section.
<b>Appraisal Effective Date</b>	"As of" Date of Appraisal	5273, 5274	The "as of" effective date must be provided in mm/dd/yyyy format.
<b>Subject Contract Price</b>	Contract Price	5030, 5031	A purchase transaction was indicated; therefore, the Contract Price must be provided in whole dollars.
<b>Subject Above Grade Gross Living Area (GLA)</b>	GLA	5084, 5085 (Improvements Section) 5131, 5132 (Sales Comparison Approach Section)	The Above Grade Gross Living Area must be provided as a whole number.
<b>Subject Sale Type</b>	I did/did not analyze the contract for Sale	5027, 5028	A purchase transaction was indicated; therefore, the first appropriate Sale Type must be selected from "REO sale," "Short Sale," "Court ordered sale," "Estate sale," "Relocation sale," "Non-arms length sale" or "Arms length sale".

## Comparable Property Messages

Data Field Name	Comparable Property Form Field Name	UAD Compliance Message ID	Message
<b>Comparable Sale Price</b>	Sale Price	5170, 5171	The Sale Price must be provided in whole dollars.
<b>Comparable Above Grade Gross Living Area (GLA)</b>	GLA	5226, 5227	The Above Grade Gross Living Area must be provided as a whole number.
<b>Comparable Sale Type</b>	Sale or Financing	5173, 5174	The first appropriate Sale Type must be selected from "REO sale," "Short Sale," "Court ordered sale," "Estate sale," "Relocation sale," "Non-arms length sale," "Arms length sale" or "Listing" must be present.

For the remaining data fields with warning edits that will be converted to fatal UAD edits during the second half of 2013, the GSEs will provide the applicable messages and forms at least 90 days before implementation of the fatal edits in the UCDP.

Lenders and vendors are encouraged to perform analysis on all of these data fields now to ensure that business processes are in place to evaluate UAD compliance for a smooth transition.

## **Change to Accepted XML File Formats in UCDP**

In order to ensure that the UAD data submitted to the UCDP is of high quality and compliant with our data standards, the GSEs are announcing our intent to discontinue accepting appraisals in PDF and other alternative appraisal formats, and to accept only the MISMO file format in the UCDP. Our goal is to retire UCDP acceptance of the ACI XML and AIRReady formats, and the PDF extraction services. We have initiated conversations with key vendors associated with the non-MISMO XML formats, and we will work closely during 2013 with lenders and vendors using these formats to ensure a smooth migration path for lenders. Once a retirement date has been determined we will provide at least six months' notice of any formal retirement. The GSEs will provide more updates on our progress throughout the year.

### **About the UAD Update**

The UAD Update provides lenders and appraisers with clarifications and reminders regarding the UAD. The GSEs will continue to provide future updates as needed to support continued successful compliance with the appraisal dataset.