

General Uniform Mortgage Data Program® (UMDP) FAQs

Updated October 2016

Fannie Mae and Freddie Mac are working together under the direction of our regulator, the Federal Housing Finance Agency, to implement several initiatives under the Uniform Mortgage Data Program® (UMDP®). Details about the UMDP program can be found on FannieMae.com and FreddieMac.com.

Q1. What does it mean that Fannie Mae and Freddie Mac are “working together”?

The Federal Housing Finance Agency (FHFA) has directed the government-sponsored enterprises (GSEs) to work together on several initiatives focused on enhancing loan data quality, consistency, and clarity to strengthen the loan manufacturing process. This requirement is consistent with other mandates that FHFA, in its role as the GSEs’ regulator, has issued in the past, such as the capture of additional loan data fields in support of the S.A.F.E. Act (also known as Title V).

In this digital age, loan data standards are crucial to improving quality and operational efficiencies for the mortgage finance industry. This effort complements previous collaborations between Fannie Mae and Freddie Mac on similar efforts. Working together, Fannie Mae and Freddie Mac have created a common approach that enables both GSEs to better capture consistent and accurate data for the loans that are submitted for purchase and/or securitization.

FHFA has made clear, however, that the GSEs are operating as unique and separate businesses and will continue to exercise independent business judgment in the use of loan data to support analysis, evaluation, and adoption and maintenance of their own business terms, eligibility requirements, pricing and credit policies, and customer relationships.

Q2. How does the UMDP enhance data accuracy and quality?

Adoption of a commonly understood dataset and format will reduce ambiguities in the type and definition of data points required for selling loans to the GSEs. By collecting additional data at a more granular level, market participants will have an increased, common understanding of data collected throughout the mortgage lifecycle. The UMDP data set enables lenders to move away from providing proprietary processing codes that can be misinterpreted or incorrectly mapped. Instead, lenders can now deliver root data that is accepted and understood by either GSE.

Q3. What is MISMO?

The Mortgage Industry Standards Maintenance Organization® (MISMO®) is a subsidiary of the Mortgage Bankers Association. MISMO’s purpose is to develop, promote, and maintain voluntary electronic commerce standards for the mortgage industry, intended to promote data consistency, reduce processing costs, and increase transparency through a common data dictionary and data reference model. MISMO coordinates the development and maintenance of an Internet-based eXtensible Markup Language (XML) representation of the data and relationships supporting the mortgage industry.

For more information about MISMO, please visit www.mismo.org or for specific questions, email MISMO at info@mismo.org.

Q4. Will the GSEs share lender-specific information with each other?

Customer relationship information, including terms of business and policies, is considered proprietary information and will not be shared between the GSEs.

Q5. How do lenders benefit from the requirement to transmit additional loan data, which will likely require a significant resource investment for them to implement?

Improving the consistency and accuracy of the data regarding the loan, borrower, and property is expected to provide more certainty regarding the eligibility of a loan for sale in the secondary market to the GSEs. Leveraging technological advances also helps to build a sustainable mortgage finance system for the future.

Q6. How are the data standards aligned, coordinated, and governed?

Both GSEs recognize the need to provide a mechanism for long-term, ongoing alignment of data standards, supporting specifications, and documentation. Working together, Fannie Mae and Freddie Mac have established a governance structure and process to facilitate ongoing maintenance and future updates.

Q7. Will the aligned data standards continue to apply once the GSEs emerge from conservatorship?

This requirement is consistent with other mandates that FHFA, in its role as regulator of the GSEs, has issued in the past, and should not be construed as having any direct connection with the conservatorship status.

Q8. Is the UMDP a signal that FHFA expects or supports combining the GSEs into a single entity?

FHFA directed the GSEs to develop a common approach to capturing loan data to strengthen and maintain the GSEs as viable ongoing business entities, in accordance with its mandate as the GSEs' regulator. A common approach enables both GSEs to better capture consistent and accurate data for the loans that are submitted for purchase and/or securitization. This data helps to drive the GSEs' individual analysis, eligibility requirements, credit and pricing policies, and other business terms.

The GSEs have worked together for a number of years on non-policy business requirements, such as through development and maintenance of uniform mortgage notes and security instruments. The GSEs are congressionally chartered, and thus any decision to change their role and/or structure rests with Congress.

Q9. How do Fannie Mae and Freddie Mac use the data that is collected under the UMDP?

Fannie Mae and Freddie Mac each determine independently how to use the uniform loan data for their respective business purposes. At each GSE's discretion, the loan data may be used for various purposes, such as analyzing loan performance, developing business policies, and making loan purchase decisions.

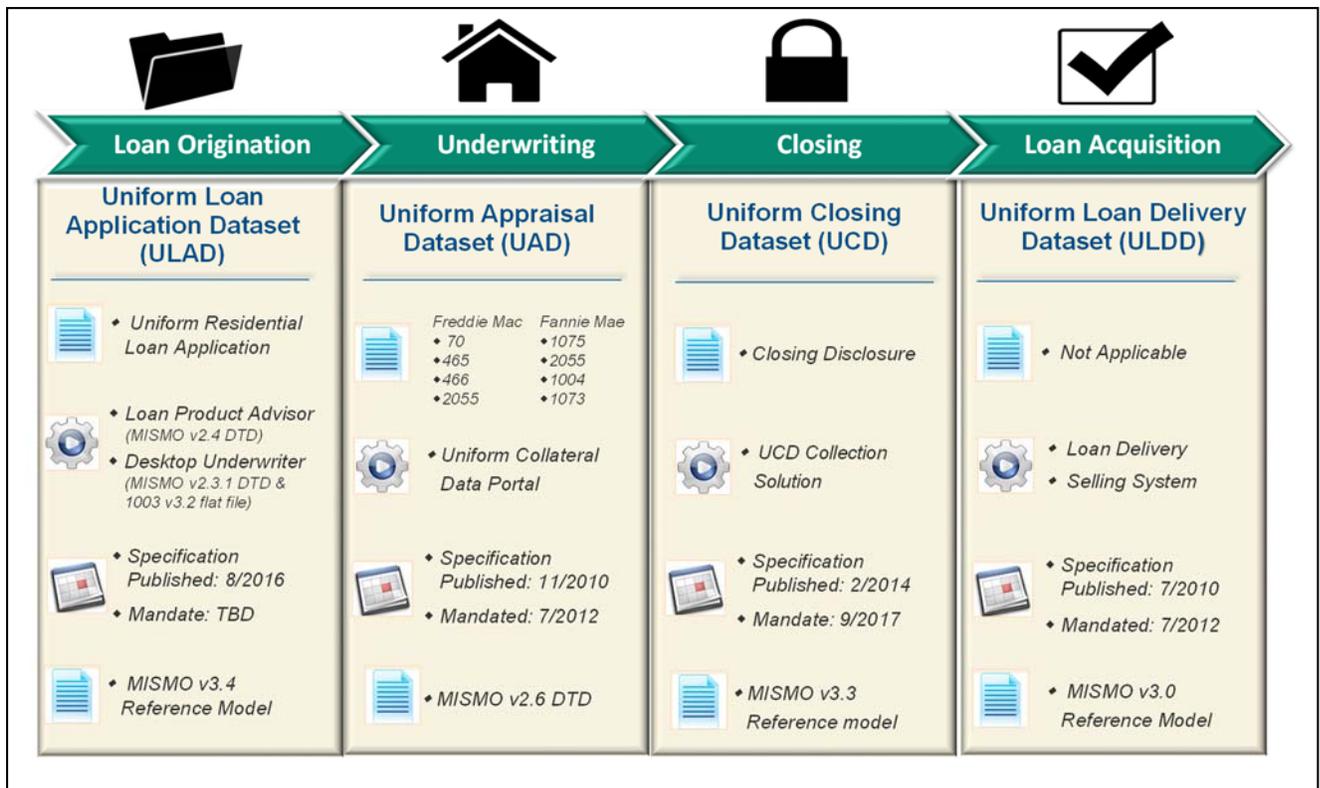
Q10. Who should lenders contact if they have questions about the UMDP and its initiatives?

Lenders should use their established primary point of contact at Fannie Mae or Freddie Mac for assistance.

UMDP Programs

Q11. What are the programs or components of the Uniform Mortgage Data Program (UMDP)?

There are several components to the UMDP, such as standardization efforts relating to appraisal data, loan application data, closing disclosure data, and loan delivery data. Each of these components supports the UMDP and enhances data quality.



Q12. What is the ULAD?

The GSEs published the redesign of the Uniform Residential Loan Application (URLA) (*Fannie Mae Form 1003* or *Freddie Mac Form 65*) and a corresponding dataset, the Uniform Loan Application Dataset (ULAD). When it is implemented, this program will enhance data collection, improve usability of the new URLA form, and capture information that is relevant and useful to the industry. Refer to each GSE's website to learn more about the redesigned URLA and ULAD.

Q13. What is the UAD?

The Uniform Appraisal Dataset (UAD) defines all fields required for an appraisal submission for specific appraisal forms and standardizes definitions and responses for a key subset of fields. The UAD file is submitted to either or both GSEs via a joint application, the Uniform Collateral Data Portal® (UCDP®).

Q14. What is the UCDP?

The Uniform Collateral Data Portal (UCDP) is a single portal for the electronic submission of appraisal data. Lenders are required to use the UCDP to deliver electronic appraisal data that conforms to the UAD before the delivery date of the mortgage loan to Fannie Mae or Freddie Mac. This requirement applies to all conventional mortgage loans for which an appraisal report is required.

Q15. Are lenders required to deliver appraisal data to both GSEs?

No. Lenders upload appraisal data to the UCDP and may opt to submit the data to either or both GSEs. Customers are required to successfully submit appraisal data to the appropriate GSE prior to loan delivery.

Q16. Do both GSEs accept the same electronic file format for delivering appraisal report data?

Yes. Both GSEs accept the same file formats for appraisal report form data submission. Information about acceptable and preferred file formats can be found on each GSE's respective UAD or UCDP web pages.

Q17. What is the Uniform Closing Dataset?

The Uniform Closing Dataset (UCD) is a standard industry dataset that supports the Consumer Financial Protection Bureau's (CFPB's) Closing Disclosure.

Q18. How are the GSEs planning to capture the data included in the UCD?

The GSEs are each developing unique data collection applications to support UCD delivery. Lenders will be required to deliver the UCD for loans that have Note dates on or after September 25, 2017. Refer to each GSE's respective UCD pages for information on the UCD collection application and timeline.

Q19. What is the ULDD?

The Uniform Loan Delivery Dataset (ULDD) is a dataset developed by the GSEs to define the common requirements for data submitted at loan delivery based on loan type, loan feature or other business requirements.

Q20. Do the GSEs have the same file and data requirements for the ULDD?

Both GSEs support the same basic loan delivery XML file format by leveraging the MISMO Version 3.0 reference model. There are differences in data conditionality, implementation notes and supported allowable values for certain data points due to policy and delivery eligibility requirements specific to each GSE. The differences are detailed in the GSE-specific Implementation Guides for Loan Delivery. Refer to each GSE's respective ULDD web pages for details.