

Uniform Closing Dataset (UCD) FAQs

Updated June 6, 2017

The following provides answers to questions frequently asked about Freddie Mac's and Fannie Mae's jointly developed Uniform Closing Dataset (UCD). New questions that were added to this document since the last update are labeled as **NEW** while updated questions are labeled as **Updated**.

1. What is the UCD?

The UCD is a common industry dataset that allows information on the Consumer Financial Protection Bureau's (CFPB's) Closing Disclosure to be communicated electronically. The GSEs have developed the UCD at the direction of the Federal Housing Finance Agency (FHFA) as part of the Uniform Mortgage Data Program® (UMDP®), an ongoing initiative to enhance loan quality and consistency through uniform loan data standards for the single-family loans the GSEs purchase.

2. What are the benefits of the UCD?

The GSEs developed the UCD to improve the accuracy of how the Closing Disclosure information is communicated. Standardizing the underlying data through the use of the UCD will help promote accuracy, consistency, and clarity around the loan transaction.

Over time, the UCD will provide the following benefits:

- **Greater data consistency** by promoting better and more efficient data integration and exchange between business partners.
- **A common understanding**, as all parties use a consistent approach and language to describe the information on the Closing Disclosure.
- **Improved data accuracy** because the UCD will eliminate the need for proprietary formats that can be costly to maintain and can lead to misinterpretation of the data.

3. Why are the GSEs collecting the UCD data?

The GSEs are collecting UCD data because it:

- Helps enhance credit risk management with more data and better quality data.
- Provides important information to help increase our ability to detect fraud and misrepresentation at loan delivery.
- Provides additional transparency into the mortgage loan transaction file to help assess whether the loan, as closed, meets the GSE's eligibility requirements.

4. When will the GSEs begin collecting the UCD?

The UCD XML file, along with the associated PDF copy of the Closing Disclosure, must be submitted for all loans delivered to the GSEs with a Note Date on or after September 25, 2017, as covered in the

[September 2016 announcement](#). However, the GSEs will require only the Borrower data and Closing Disclosure beginning September 25, 2017, and will provide industry an additional year before requiring the Seller data and Closing Disclosure in the UCD file. The GSEs continue to encourage lenders to submit files with both Borrower and Seller data, if available, in order to test their processes and become familiar with the messaging from each GSE's collection system. As noted in previous communications, the UCD must be submitted prior to delivery of the loan.

5. Updated Will the GSEs require the UCD and Closing Disclosure for all loans they acquire? Even if the TRID Regulation does not require the Closing Disclosure for that transaction? (e.g., for investor properties)?

Yes. The GSEs will require the UCD XML file and a PDF copy of the Closing Disclosure for all loans they acquire, regardless of whether the TILA-RESPA Integrated Disclosure (TRID) Regulation requires the Closing Disclosure. Therefore, lenders must submit the UCD and PDF of the Closing Disclosure for all loans, including non-owner occupied property loans (e.g., investor loans) that are sold to the GSEs.

Freddie Mac and Fannie Mae recognize that some in the industry are facing challenges in meeting the requirement to embed the Closing Disclosure PDF in the UCD XML file. Because of this, the GSEs will provide a six-month transition period before enforcing that requirement. The requirement to embed the Closing Disclosure PDF in the UCD XML file will be fully enforced no earlier than **April 2018**.

6. How will the GSEs identify which delivered loans are required to have a UCD file?

The GSEs will use the Note Date reported in the loan delivery XML file to determine if the loan is required to have a corresponding UCD file. The UCD will be required by the GSEs for all loans with a Note Date on or after September 25, 2017.

7. Will the UCD Delivery Specification continue to be the same for both GSEs?

Yes. Even though each GSE has implemented its own separate UCD collection solution, both GSEs will adhere to the guiding principles established under the UMDP, which include alignment on the following:

- Each GSE is using the identical UCD Delivery Specification; there are no Fannie Mae- or Freddie Mac-specific data requirements.
- The UCD XML file contains the same data points, enumerations, and conditionality.
- The UCD required delivery timelines are identical.

8. How will the GSEs collect the UCD?

The GSEs have implemented separate collection solutions that are available now for lenders and technology solution providers to test their UCD implementation and to begin delivering the UCD to Freddie Mac or Fannie Mae. Support is available for lenders and vendors as they work to implement the UCD including testing resources, documentation, and training specific to each GSE's collection solution. Visit FannieMae.com or FreddieMac.com to learn more about these resources.

9. Do I need to build to the UCD now?

The GSEs strongly recommend that lenders begin working with their technology solution providers now to implement the UCD. The GSEs have published *Appendices H/I: UCD Delivery Specification* to assist

the industry with correctly forming a UCD delivery file and to help understand the MISMO data mapping for the Closing Disclosure.

10. Which resources are available to help me implement the UCD?

The GSEs have published a number of implementation materials and artifacts on their unique FreddieMac.com and FannieMae.com websites to assist you with your UCD implementation. These materials include:

- *Appendix C: Closing Disclosure with Reference Numbers (.pdf)*
- *Appendix E: UCD Implementation Guide (.pdf)*
- *Appendix F: UCD Sample Use Cases (.zip)*
- *Appendix G: UCD Sample XML Files (.zip)*
- *Appendix H: UCD Delivery Specification (.pdf)*
- *Appendix I: UCD Delivery Specification (.xls)*

Note the following artifacts have been retired:

- *Appendix A: Closing Disclosure Mapping to the MISMO v3.3.0 Reference Model (.pdf)*
- *Appendix B: Closing Disclosure Mapping to the MISMO v3.3.0 Reference Model (.xls)*

11. Do *Appendices H/I: UCD Delivery Specification* provide mapping only for data that is required on the CFPB's Closing Disclosure?

No. *Appendices H/I* also contain a limited number of additional data points that the GSEs will require, beyond the fields present on the CFPB's Closing Disclosure, as well as data points required to properly form the XML file. The remaining UCD data maps directly to the Closing Disclosure. Additionally, *Appendices H/I* include details necessary to create the XML file for delivery to the GSEs. *Appendices H/I* are also presented in XML file order providing greater clarity regarding the data that must be delivered according to transaction type (e.g., purchase vs. non-seller/refinance).

12. Are *Appendices H/I* identical for both Freddie Mac and Fannie Mae?

Yes. Using the CFPB's TRID Regulation, the GSEs developed a single dataset and UCD delivery specification to support the information captured on the Closing Disclosure. The UCD XML file will be identical whether it is submitted to Freddie Mac and Fannie Mae.

13. Did the GSEs develop a dataset for the CFPB's Loan Estimate?

No. However, there is a corresponding dataset for the CFPB's Loan Estimate that the MISMO Origination Workgroup developed. The GSEs' goal is for the UCD and Loan Estimate dataset to align on common information needed for both forms, and for both to leverage the MISMO v3.3.0 Reference Model. To access the Loan Estimate dataset, visit the MISMO.org website and sign up for the Origination Workgroup.

14. The UCD contains several Ability-to-Repay (ATR) data points marked as "GSE Requirement" in *Appendix H/I*. Will these data points need to be included in the UCD delivery file?

Yes, the data points designated as “GSE Requirement” in *Appendices H/I* must be included in the UCD XML file per the defined conditionality. This requirement will be enforced for all loan types whether the loan is for a primary residence, second home, or an investment property.

15. Why do the GSEs need a copy of the Closing Disclosure?

The Closing Disclosure is the definitive record of the fees, charges, and adjustments that occurred in the loan transaction. As such, it is used to validate that the information in the UCD is accurate.

16. Do the GSEs require a copy of the signed Closing Disclosure in addition to the UCD XML file?

At present, the GSEs do not intend to require signatures on the Closing Disclosure or any associated addendum. Lenders may wish to continue current industry practices of obtaining seller and other interested party signatures in accordance with the signature requirements of the CFPB rule.

The GSEs will require that a PDF copy of the most recent Closing Disclosure, including any associated addenda to the Closing Disclosure, be embedded in the UCD XML file. The data provided in the UCD XML file must match the data on the PDF of the Closing Disclosure.

17. There is no place for the Seller’s signature on the Closing Disclosure. Will the GSEs still require the Seller’s signature?

At present, the GSEs do not intend to require the Seller’s (or any other party’s) signature on the Closing Disclosure or any associated addendum; however, lenders are encouraged to continue the industry best practice of obtaining seller and other interested party signatures.

18. Why do you need the Seller’s Closing Disclosure?

The GSEs require both the Borrower data and Seller data so that we are able to have a full, final view of the transaction. This is necessary to account for items such as Seller paid fees that must be included in various points and fees tests and to account for any changes that occur at the time of settlement.

19. If there were two separate Closing Disclosures presented at settlement, one for the Borrower and one for the Seller, do I include both in the UCD XML file?

When a Closing Disclosure is issued on the Model form, the GSEs strongly recommend both Borrower and Seller data be delivered since the data is both available and has been issued on a single Closing Disclosure. As of the September 25, 2017 UCD mandate, the GSEs will require only the Borrower data and Closing Disclosure in the UCD file. The delivery of Borrower data, Seller data and the corresponding Closing Disclosures will be required beginning Q3 2018. The GSEs continue to fully encourage lenders to submit files with both Borrower and Seller data, if and when it becomes available, in order to test their processes and become familiar with the messaging from each GSE’s collection system. Reference the UCD Split Disclosure tab in *Appendices H/I* for guidance on how to form an XML file for split disclosures.

20. If after closing, but before delivery of loans to the GSEs, information on the Closing Disclosure was updated and a revised Closing Disclosure was provided to the borrower, which version of the Closing Disclosure and UCD should I submit to the GSEs?

The GSEs require that the submitted Closing Disclosure and UCD XML file represent the most accurate agreed-upon terms of the loan at time of loan delivery to the GSEs.

21. Updated If subsequent to the delivery of the loan, the lender discovers an issue that requires a new Closing Disclosure to be issued to the Borrower (i.e., redisclosure), will the GSEs require redelivery of the UCD and Closing Disclosure?

The GSEs have unique requirements regarding redelivery of the UCD post-acquisition of the loan. While neither GSE will require redelivery in 2018 for any changes made to the Closing Disclosure or UCD, starting in 2019, the post-acquisition redelivery policies for each GSE are summarized below. Refer to each GSE's respective Selling Guide for further details.

- Fannie Mae – lenders must redeliver the UCD file within 90 days after the loan was delivered and purchased if there **any changes** to the UCD file.
- Freddie Mac – lenders must redeliver the UCD file only in those instances where the change to the UCD file impacts the purchase eligibility of the loan.

22. Will the GSEs require a first generation PDF of the Closing Disclosure to be embedded in the UCD XML file?

No, the GSEs only require that a clear and legible PDF file of the Closing Disclosure be embedded in the UCD XML file. The PDF file must reflect the information and values in the submitted UCD XML file.

23. We issue a separate Closing Disclosure to each borrower (e.g., if there are three borrowers, we produce three separate Closing Disclosures). Do the GSEs require the Closing Disclosure for each borrower be included in the UCD XML file?

No. In instances where the lender has issued a separate Closing Disclosure for each borrower, the lender should embed only one representative copy of the Closing Disclosure in the XML file.

24. If the transaction involves a simultaneous second (e.g., an 80/10/10 transaction), will the GSEs require delivery of the Closing Disclosure for the simultaneous second even if they are not purchasing the second lien?

No. At this time, neither GSE will collect the separate Closing Disclosure for any simultaneous second that is part of the transaction. The GSEs require delivery of the Closing Disclosure only for the loan being purchased.

25. Updated On non-seller (e.g., refinance) transactions, do the GSEs require the use of the "Alternate" form, Form H-25(E), published by the CFPB? (Refer to *Federal Register vol. 78, No. 251 on p. 80187*).

Both GSEs require use of form H-25(E) for all refinance transactions on the loans they acquire (refer to Federal Register website for additional details on this regulation). If a non-seller transaction is submitted on the "Model" form, the GSE collection systems will issue warning messages at the outset of the mandate and will not prevent a submission from being considered "successful." However, the warnings may be changed to a hard stop at a later date. More information will be provided by the GSE regarding the timeframe for these hard stops.

26. How can I help ensure that my vendors and business partners have all the information they need to implement the UCD?

Encourage your closing vendors to visit [Fannie Mae's UCD page](#) or [Freddie Mac's UCD page](#) and reference *Appendices H/I: UCD Delivery Specification*. They may also sign up to receive ongoing news and information to support their UCD implementations.

27. Will the GSEs provide a testing environment as vendors and lenders build to the UCD?

Yes, each GSE has established a testing environment. Additional details can be found on the GSEs' respective UCD web pages on FreddieMac.com and FannieMae.com.

28. Will the GSEs provide validation that a lender's or vendor's XML file formation is correct?

Yes, each GSE will validate the UCD XML file formation against the *MISMO v3.3.0 Reference Model* schema upon delivery. In addition, each GSE will provide the industry with sufficient notice regarding its implementation and enforcement of any business rule messaging

29. NEW Which Closing Disclosure is required for a Construction to Permanent loan, the original or a new Closing Disclosure?

If the Regulation requires the Closing Disclosure to be re-disclosed, then the GSEs want that updated copy. If the Regulation does not require re-disclosure, then the original Closing Disclosure is appropriate.

30. NEW How are Construction loans classified?

For properties where the borrower does not own the land prior to closing of interim construction financing, the loan is classified as a Purchase transaction. If the borrower already owns the land, the loan is classified as a Non-Seller (refinance) transaction.

31. NEW For construction loans where the subject property address does not have a street address, is the Legal Description acceptable?

Yes, the legal description is acceptable; however, the subject property Zip code is required.

TECHNICAL FAQs

32. How can I reflect a principal curtailment for a refinance on the Alternate form?

In instances where a principal curtailment is needed to reduce the cash back to the borrower, it is allowable to reflect the principal curtailment (principal reduction) in the Payoffs and Payments table on the Alternate form. See *Appendix F: UCD Sample Use Case NonSeller ARM 5yr/IO* for an example.

33. How can I reflect gifts and grants on the Alternate form?

If a refinance transaction includes a gift or grant which reduces the monies the borrower must bring to closing, it is allowable to reflect the gift or grant as a (-) negative value in the Payoffs and Payments table on the Alternate form. See *Appendix F: UCD Sample Use Case NonSeller ARM 5yr/IO* for an example.

34. How can I reflect a simultaneous second loan on the Alternate form for a refinance?

Per the Regulation, each closed-end loan in the transaction must have its own Closing Disclosure. Currently, second loans closing simultaneously are not reflected on the Alternate Closing Disclosure form of the first lien. For more information regarding how to handle simultaneous second loans on the Alternate form, refer to the CFPB's October 1, 2014, recorded webinar entitled, "FAQs on the TILA-RESPA Integrated Disclosures Rule, Part 3 – Completing the Loan Estimate" and the "Index of TRID Questions Addressed During Webinars." These can be found on the Federal Reserve System's [Consumer Compliance Outlook website](#).

35. How should I handle negative values in the UCD XML? For example, should the Aggregate Adjustment value in the Closing Costs Details section of the Closing Disclosure be submitted as a negative value in the XML file?

Any value that is reflected as a negative value on the Closing Disclosure should be carried as a negative value in the UCD XML. In the limited situations where a value appears on the Closing Disclosure in two places – once as a positive value and once as a negative value (e.g., L. Paid Already by or on Behalf of Borrower at Closing) then submit that value as a positive number in the UCD XML.

Note: Some values appear twice on the Closing Disclosure but the values are conveyed using different data points (e.g., Seller Credits in the Calculating Cash to Close table and Seller Credits in the Summaries of Transaction). In those instances, submit the value using the appropriate data point for each section and include a (-) negative sign if it is reflected as a negative value on the Closing Disclosure.

36. I have run my loan through both Desktop Underwriter® (DU®) and Loan Product AdvisorSM and received an AutomatedUnderwritingCaseIdentifier from both systems. For ease, can I include the AutomatedUnderwritingCaseIdentifier and AutomatedUnderwritingSystemType for both DU and Loan Product Advisor in the UCD XML file just as I do for appraisals?

Yes. You may include an instance of AutomatedUnderwritingCaseIdentifier and AutomatedUnderwritingSystemType for both Desktop Underwriter and Loan Product Advisor in the UCD XML if this facilitates your UCD and loan delivery process.

37. My loan transaction includes a Buydown but the Buydown does not fall within the CFPB's requirements for being reflected on the Closing Disclosure. How should I indicate this in the UCD XML file?

When a loan has a buydown that is not required to be reflected on the Closing Disclosure, the value for the data point BuydownTemporarySubsidyFundingIndicator must be "true" and the value for the data point BuydownReflectedInNoteIndicator must be "false."

38. My UCD XML files include extra data that is not included in *Appendices H/I: UCD Delivery Specification*. Will the GSEs ignore "extra" data in the UCD XML files?

No. The UCD XML files delivered to the GSEs must contain only the data specified in *Appendices H/I: UCD Delivery Specification*. Additionally, any data points or structures that are not relevant to the closing transaction (and therefore would be blank on the Closing Disclosure) should not be sent in the XML file.

39. After settlement, we found that we must make some corrections to the Closing Disclosure and redisclose to the borrower. Because this updated Closing Disclosure will not have borrower signatures, how should I redeliver the signature-related data points?

In instances where the UCD is redelivered after settlement and the Closing Disclosure does not have a signature, the following signature-related data points should be delivered with the following values:

- Document Signature Required Indicator = "false"
- Actual Signature Type – not applicable (not redelivered)
- Execution Date – not applicable (not redelivered)

40. What is the DisplayLabelText attribute?

The DisplayLabelText attribute allows free-form text and is used for the purpose of representation of the UCD supported enumerations, in a more readable format, as it would be displayed on the form. For example, a DisplayLabelText value may read as "Attorney Doc Prep Fee," which would be the actual verbiage on the form. A corresponding enumerated value of "DocumentPreparationFee" would also be populated in the XML along with the DisplayLabelText.

Sample XML snippet:

```
<mismo:FEE_DETAIL>
  <mismo:FeePaidToType>ThirdPartyProvider</mismo:FeePaidToType>
  <mismo:FeeType gse:DisplayLabelText="Attorney Doc Prep Fee">DocumentPreparationFee</mismo:FeeType>
  <mismo:IntegratedDisclosureSectionType>ServicesBorrowerDidNotShopFor</mismo:IntegratedDisclosureSectionType>
  <mismo:RegulationZPointsAndFeesIndicator>true</mismo:RegulationZPointsAndFeesIndicator>
</mismo:FEE_DETAIL>
```

Sample Form Snippet:

B. Services Borrower Did Not Shop For	
01	Attorney Doc Prep Fee to Law Offices of John Smith
03	
04	
05	
06	
07	
08	

41. What is the purpose of the IdentifierOwnerURI attribute?

The IdentifierOwnerURI is a URL intended to contain the web address for the organization that is responsible for (or issues) the corresponding identifier and will be used to help recognize "bad actors" in the industry. For example, the AppraisalIdentifier, or Doc File ID, is issued by the Uniform Collateral Data Portal®; therefore, the IdentifierOwnerURI for the AppraisalIdentifier would be "https://www.uniformdataportal.com/VAMAuthUtility/login.aspx". Another example is the IdentifierOwnerURI that supports the LicenseIdentifier in the Contact Information section of the Closing Disclosure Form. A lender will have a federal license that is issued and maintained by the Nationwide Multistate Licensing System & Registry. As a result, the IdentifierOwnerURI for a lender's license would be "mortgage.nationwidelicensingsystem.org".

Sample XML Snippet 1

```
<mismo:PROPERTY_VALUATION_DETAIL>  
<mismo:AppraisalIdentifier IdentifierOwnerURI="https://www.uniformdataportal.com/VAMAuthUtility/login.aspx">9998878</mismo:AppraisalIdentifier>  
<mismo:PropertyValuationAmount>555000.00</mismo:PropertyValuationAmount>  
</mismo:PROPERTY_VALUATION_DETAIL>
```

Sample XML Snippet 2

```
<mismo:LICENSE_DETAIL>  
<mismo:LicenseIdentifier IdentifierOwnerURI="mortgage.nationwidelicensingsystem.org">9876554</mismo:LicenseIdentifier>  
<mismo:LicenseIssueDate>2014-01-01</mismo:LicenseIssueDate>  
</mismo:LICENSE_DETAIL>
```

The GSEs expect “best effort” in obtaining this data.

42. Should specific fees (e.g., Recording fees, Transfer tax fees, etc.) be lumped into one total or itemized? For the cases where fees cannot be mapped to an exact MISMO value, should ‘Other’ and appropriate description be used for the enumerations not supported in the UCD?

Both GSEs strongly advise using the provided enumerated fees in each section of the UCD, as defined in the MISMO Logical Data Dictionary, to minimize the use of “Other” and provide the borrower with as much detail as is practical and remain in compliance with the TRID regulation. The decision to bundle or individually itemize various Recording fees and Transfer taxes is up to the lender’s interpretation of the TRID Regulation subsection 1026.37(g)(1). The UCD Specification simply provides the data structures to transmit the information in accordance with a lender’s interpretation.