

# Uniform Closing Dataset FAQ Updates

Updated April 7, 2020

The following provides answers to questions frequently asked about Fannie Mae and Freddie Mac'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 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?

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** by eliminating 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 did the GSEs begin collecting the UCD?

Lenders are expected to adhere to the UCD mandate as of September 25, 2017 and should be submitting a successful UCD XML file for all loans being delivered to the GSEs with a Note Date that is on or after September 25, 2017.

Note: Each GSE's respective loan delivery system checks for a successful UCD XML file submission.

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**5. Do the GSEs require the PDF version of the Closing Disclosure be included in the UCD XML file?**

Effective June 25, 2018, UCD files submitted to the GSEs without the embedded Borrower Closing Disclosure will receive a fatal/critical edit and will not be accepted in the GSEs' delivery systems.

**6. Will the GSEs require the UCD XML file for all loans they acquire?**

Yes. The UCD dataset and an embedded PDF of the Borrower Closing Disclosure is required for all loans, including loans not subject to TRID.

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

The GSEs 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 is required for all loans with a Note Date that is on or after September 25, 2017.

**8. 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 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 delivery timelines are identical.

**9. How will the GSEs collect the UCD?**

The GSEs implemented separate collection solutions for lenders and technology solution providers to submit their UCD XML files to the GSEs. Support and training resources are available on each GSE's respective UCD pages as it relates to each unique collection solution. Visit [FannieMae.com](http://FannieMae.com) or [FreddieMac.com](http://FreddieMac.com) for more information.

**10. Are resources available to help me implement the UCD?**

The GSEs have published a number of implementation materials and artifacts on their respective [Fanniemae.com](http://Fanniemae.com) and [Freddiemac.com](http://Freddiemac.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 I: UCD Delivery Specification (.xls)*

Note, these documents are exactly the same for both GSEs.

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

No. *Appendix I* also contains a limited number of additional data points that the GSEs require, beyond the fields present on the CFPB's Closing Disclosure, as well as data points required to properly form the

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XML file. The remaining UCD data maps directly to the Closing Disclosure. Additionally, *Appendix I* include details necessary to create the XML file for delivery to the GSEs. *Appendix I* is 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. 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 developed by the MISMO Origination Workgroup. 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](https://www.mismo.org) website and sign up for the Origination Workgroup.

**13. The UCD contains several Ability-to-Repay (ATR) data points marked as “GSE Requirement” in Appendix I. Do these data points need to be included in the UCD delivery file?**

Yes, the data points designated as “GSE Requirement” in *Appendix 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.

**14. Why do the GSEs need a PDF of the Borrower Closing Disclosure?**

The Borrower 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 provided in the UCD submission is complete and accurate.

The data provided in the UCD XML file must match the data on the PDF of the Closing Disclosure.

**15. 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 other interested party signatures in accordance with the signature requirements of the CFPB rule.

**16. Is the Seller data (and the Seller’s Closing Disclosure PDF) required as part of the UCD XML file submission? Updated**

As of June 24, 2019, lenders are required to include the seller data as indicated in the [Seller Data Announcement](#). For further guidance, refer to the [UCD Delivery Specification version 1.5](#) which includes these seller data updates.

**17. 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.

**18. Do the GSEs require a first-generation PDF of the Closing Disclosure be embedded in the UCD XML file?**

No, the GSEs only require that a clear and legible PDF of the Closing Disclosure be embedded in the UCD XML file reflecting the data submitted within the UCD XML submission.

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**19. 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.

**20. If the transaction involves a simultaneous second (e.g., an 80/10/10 transaction), do 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 collects 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.

**21. 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 *Appendix I: UCD Delivery Specification*. They may also sign up to receive ongoing news and information to support their UCD implementations.

**22. Do the GSEs provide a testing environment for lenders and vendors?**

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

**23. Do the GSEs provide validation that a lender's or vendor's XML file formation is correct?**

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

**24. Do the GSEs require a Closing Disclosure to be delivered for construction loans?**

The GSEs only purchase construction loans at the permanent financing phase of the transaction. The GSEs expect that the Closing Disclosure and UCD XML be delivered prior to loan purchase only if the TILA / RESPA Integrated Disclosure Rule requires that a Closing Disclosure be issued to the borrower.

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

- For a single-close (without an executed modification), the Closing Disclosure is required. If a modification has been completed prior to permanent financing, the terms of the loan modification become the permanent financing and therefore, an updated Closing Disclosure is not required.
- For a two-close, the latest Closing Disclosure that discloses the terms of the permanent financing must be included in the UCD file submission.

**26. How are Construction loans classified?**

For properties where the borrower does not own the land prior to closing of interim construction financing,

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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.

**27. 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.

**28. 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 5yrIO* for an example.

**29. 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 5yrIO* for an example.

**30. 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](#).

**32. What happens if I do not comply with the Post-Loan Delivery – Best Practice Guidelines?**

The UCD Resubmission Post-Loan Delivery Best Practice Guidelines are not an enforceable policy. There are no plans to enact critical / fatal messaging to its affect.

**33. What happens if my loan is selected for post-purchase review and I have not submitted the most recent closing disclosure to the GSE collection solution?**

The UCD Resubmission Post-Loan Delivery Best Practice Guidelines provided do not replace or modify the current GSEs requirement that the final Closing Disclosure be included in the loan file and made available for a post-purchase review.

**34. When are the UCD Resubmission Requirements and Best Practice Guidelines going to be made effective?**

The UCD Resubmission Requirements and Best Practice Guidelines do not have an effective date. The GSEs view these guidelines as generally accepted practices that should have been followed since the initial UCD mandate.

**35. Should an updated UCD submission be delivered if changes are made to the closing disclosure a year or more after loan delivery?**

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Since there is no specified time frame, an update UCD with embedded PDF should be delivered to the GSEs regardless of when changes occur to the closing disclosure.

**36. How is UCD impacted with the new SOFR IndexType?** NEW

There are no UCD specification updates.

**37. How do I include SOFR as the IndexType with no UCD specification updates being made?** NEW

SOFR should be designated as the IndexType using IndexType = **Other** and IndexTypeOtherDescription = **SOFR** as indicated in the table below.

UCD Datapoint	UCD Unique ID	Delivery Details
IndexType	11.055	Other
IndexTypeOtherDescription	11.100	SOFR

This follows the same principle as today for LIBOR; MISMO Index Type data point specifies the general category of the mortgage index (LIBOR) instead of the precise index (MISMO Index Source Type (e.g. LIBOROneYearWSJDaily)).

***Note:** If your business process requires delivery of ‘30DayAverageSOFR’, this value can be delivered in the UCD instead of ‘SOFR’ and will not impact your UCD status or closing eligibility*

## TECHNICAL FAQs

**38. How should I handle negative values in the UCD XML file? 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.*

**39. I have run my loan through both Desktop Underwriter® (DU®) and Loan Product Advisor® and received an AutomatedUnderwritingCaselIdentifier from both systems. For ease, can I include the AutomatedUnderwritingCaselIdentifier 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 AutomatedUnderwritingCaselIdentifier and AutomatedUnderwritingSystemType for both Desktop Underwriter and Loan Product Advisor in the UCD XML file if this facilitates your UCD and loan delivery process.

**40. 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.”

**41. My UCD XML files include extra data that is not included in *Appendix I: UCD Delivery Specification*. Do 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 *Appendix 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.

**42. 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)

**43. 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	

**44. 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 is 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/VAMAAuthUtility/login.aspx”. Another example is the IdentifierOwnerURI that supports the LicenseIdentifier in the Contact Information section of the Closing

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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.nationwidelicencingsystem.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.nationwidelicencingsystem.org">9876554</mismo:LicenseIdentifier>  
<mismo:LicenseIssueDate>2014-01-01</mismo:LicenseIssueDate>  
</mismo:LICENSE_DETAIL>
```

The GSEs expect "best effort" in obtaining this data.

#### **45. 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.

#### **46. Is it OK to deliver a data point using the "Other" enumeration in conjunction with "TypeOtherDescription"?**

If a valid enumeration exists in the UCD for the item being represented on the closing disclosure form, then that enumeration must be used. For example, "RealEstateCommissionsSellersBroker" and "RealEstateCommissionsBuyersBroker" must be delivered as a FeeType instead of using "Other" and FeeTypeOtherDescription.