

UCD Critical Edits Phase 3: New Resources Available

Dec. 20, 2022

Fannie Mae and Freddie Mac (the GSEs) published new and updated Uniform Closing Dataset (UCD) critical edits resources to help lenders and software partners/technology solution providers prepare for Phase 3. The Phase 3 UCD critical edits mandate is quickly approaching. On May 1, 2023, specified edits in each GSE's UCD collection solution will convert from "warning" to "critical/fatal." As a reminder, the UCD critical edits transition is designed to improve data quality and consistency for single-family loans that the GSEs purchase.

Available Resources for Transition Preparation

Resources are available on the [Freddie Mac UCD page](#) and [Fannie Mae UCD page](#) to help you prepare. New and updated resources are listed below:

- **UCD Critical Edits Matrix v. 5.3 – Updated**
The matrix was updated to correct guidance for Recording Fees; refer to the Read Me tab in the file. Note the separate tab for the new QM Short Reset ARM APR Percent data point edits, including the Xpath. This data point will be required for all adjustable-rate mortgages (ARMs) meeting the QM Short Reset ARM definition on and after May 1, 2023.
- **Joint UCD Specification Update Impact Memo Version 2.0 – Updated**
This impact memo reflects changes to UCD Specification v1.5 and includes modified guidance for Recording Fees.
- **Joint GSE UCD Phase 3 Critical Edits Feedback Message Mapping Document – NEW**
A document that aligns the feedback messages returned by each GSE's collection solution at the data point level to further assist with Phase 3 critical edits resolution.
- **Joint GSE UCD Phase 3 Critical Edits Job Aid: Fees – NEW**
This job aid focuses on the fee data points on the Closing Disclosure Page 2 Closing Cost Details (Origination Charges, Services Borrower Did Not Shop For, Services Borrower Did Shop For, and Other Costs), and outlines how the data in each section should be provided in the corresponding UCD XML file to avoid Phase 3 critical edits.

The GSEs encourage users to test their UCD XML files early and often to fully resolve potential critical issues before the Phase 3 transition begins on May 1, 2023. The respective GSE UCD collection solution test and production environments are now available for testing of the Phase 3 UCD critical edits.

NOTE: The data provided in the UCD XML file must match the data on the PDF of the Closing Disclosure provided to the borrower. The Phase 3 UCD critical edits focus on ensuring the quality and completeness of data supporting the Closing Disclosure Closing Cost Details section (fee, prepaid and escrow line items and section totals). Refer to the [UCD FAQs](#) for more information.

Additional Information

Visit the [Fannie Mae UCD page](#) and the [Freddie Mac UCD page](#) for more information on the UCD and the critical edits transition.

If you need further assistance, please contact your GSE account representative or submit your questions to our UCD mailboxes: UCD@FannieMae.com and UCD@FreddieMac.com.