

Lender Operations Update



Attn: HFA Lenders

L-2018-037

Uniform Closing Dataset (UCD) Changes

June 8, 2018

Housing Finance Agencies (HFA)

Update

Summary

The purpose of this Lender Operations Update (LOU) is to update HFA lenders of the upcoming **Uniform Closing Dataset (UCD) changes and requirements**.

Fannie Mae and Freddie Mac Important UCD Updates

[Fannie Mae and Freddie Mac \(the GSEs\) issued Important UCD Update](#) that announced effective with loan deliveries to Fannie Mae and Freddie Mac on and after **June 25, 2018**:

- The Uniform Closing Dataset (UCD) warning edits in the GSEs' delivery systems will become critical/fatal severity messages.
- A Portable Document Format (PDF) of the borrower's Closing Disclosure (CD) **must** be embedded in the UCD XML data submitted to the GSEs. A PDF of the property seller's CD is no longer required.
- The UCD file and embedded CD PDF must represent the agreed-upon terms of the Loan and contain the most accurate information available at the time of file delivery.

Reminder: Conventional conforming loans must meet the GSEs' UCD requirements as well as U.S. Bank Home Mortgage-specific UCD requirements to be eligible for purchase.

U.S. Bank Home Mortgage UCD Requirements

In preparation for loan deliveries to the GSEs, as outlined by Fannie Mae and Freddie Mac above, **effective with all loan files reviewed by U.S. Bank Home Mortgage beginning June 11, 2018, U.S. Bank Home Mortgage will suspend** loans as follows:

- Loans with **Unsuccessful/Not Satisfied** UCD submissions and/or with DU Casefile IDs that do not match the DU and UCD Findings Reports, pending receipt of a successful UCD Findings Report with DU Casefile ID matching DU Findings Report.
- Loans **without** a Portable Document Format (PDF) of the borrower's CD embedded in the UCD XML data.
- **Fannie Mae/Freddie Mac Specific HFA Products** - Lenders must follow the guidance as provided by the HFA on their respective website and/or within each of U.S. Bank Home Mortgage's required HFA-specific Documentation Checklists and Product Guides (located at www.hfa.usbank.com). Regardless of how the loan was underwritten (DU, LPA or manually), the HFA may sell the loan to Fannie Mae or Freddie Mac. Therefore, the UCD file **must** be submitted to the specific Agency that the HFA will ultimately deliver the loan to with evidence of a successful UCD submission contained in the closed loan submission package.
- Evidence of a successful UCD submission response from **one** of the GSEs (Fannie Mae or Freddie Mac) is required in the Closed Loan Package.
 - **Fannie Mae** - a **UCD Findings Report** reflecting **Successful** with no **Fatal** edit messages is required. Eligibility Message 2011 (CD not embedded) must not be present.
 - **Freddie Mac** - a **Loan Closing Advisor (LCA) Feedback Certificate** reflecting **Satisfied** with no **RED** "critical" messages is required. We will no longer accept **Satisfied (without a Closing Disclosure PDF)** messages.
 - All pages of the UCD Findings Report/LCA Feedback Certificate are required with all edit messages.



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Desktop
Underwriter
(DU) Casefile
Identifier (ID)

As stated in [Fannie Mae's UCD Casefile Identifier Scenarios Quick Guide](#), the Desktop Underwriter (DU) Casefile Identifier (ID) must be included in the UCD file for DU Loans.

- The Casefile ID in DU and the DU Casefile ID in the UCD file must match for Fannie Mae's logic to link the DU and UCD files.
- Discrepancies between the DU Casefile ID in DU and the DU Casefile ID in the UCD file can invalidate the UCD submission, causing the loan to be ineligible for purchase until amended.

Reminders

Transfer and/or Assigning Loans to U.S. Bank Home Mortgage

U.S. Bank Home Mortgage also recommends that lenders transfer/assign their UCD XML files to U.S. Bank Home Mortgage through the GSE portals. This will allow U.S. Bank Home Mortgage to download the lender's UCD data, embedded Closing Disclosures, and UCD feedback documentation.

Please note that lenders will still be required to deliver the UCD feedback certificate documentation to U.S. Bank Home Mortgage.

Establishing a Relationship with U.S. Bank Home Mortgage

In order to successfully submit loans to U.S. Bank Home Mortgage, lenders must first establish an Aggregator/Correspondent relationship with U.S. Bank Home Mortgage in the GSE UCD portals.

This is a one-time process that you must complete in both GSE UCD websites before you can submit loans to U.S. Bank Home Mortgage.

Fannie Mae:

- When establishing the relationship with Fannie Mae, please search under Subscriber Name: **U.S. Bank N.A.** (Seller Servicer **#23614**).
- If you already requested a relationship using a different U.S. Bank Home Mortgage Seller Servicer number, please return to the Fannie Mae UCD portal where you will see that U.S. Bank Home Mortgage has initiated a request under the correct Seller Service number. Please accept the new request to complete the relationship.

Freddie Mac:

- When establishing the relationship with Freddie Mac, please search under Aggregator Name: **US Bank (114427)**.

Fannie Mae
and Freddie
Mac
Resources

Additional resources provided by Fannie Mae and Freddie Mac include:

Item	Fannie Mae	Freddie Mac
UCD FAQ	https://www.fanniemae.com/content/fag/uniform-closing-dataset-fags.pdf	http://www.freddiemac.com/loanadvisorsuite/loanclosingadvisor/
UCD Collection Mechanism	https://www.fanniemae.com/singlefamily/uniform-closing-dataset-collection-solution	http://www.freddiemac.com/loanadvisorsuite/loanclosingadvisor/
Get Ready for UCD Changes on June 25, 2018		http://www.freddiemac.com/singlefamily/news/2018/0509_ucd.html
Correspondent Assignment Center		http://www.freddiemac.com/loanadvisorsuite/correspondent-assignment.html

Questions

HFA: Please contact the Housing Finance Agency Hotline at 800.562.5165, option 1 for the HFA Customer Care Team.

We appreciate your continued partnership.

