

UCD Critical Edits Phase 3B: Postponement of Certain Fee by Section Edits

September 6, 2023

Fannie Mae and Freddie Mac (the GSEs) are announcing that the Uniform Closing Dataset (UCD) Phase 3B critical edits that limit the fee enumerations allowed in three sections of the Closing Disclosure (CD) will not turn critical/fatal on November 6, 2023. The changes shown in the table below are intended to provide relief to customers who are experiencing high failure rates for edits validating fees delivered in these sections. All other Phase 3B critical edits will transition to critical/fatal as planned on **Nov. 6, 2023**.

Integrated Disclosure Section Type	Fee Type	Postponed Enforcement of Fee by Section 3B Requirements
Services Borrowers Did Not Shop For	Fee Type enumerations specified as valid for Section B	Fees must be valid for the section
Services Borrowers Did Shop For	Fee Type enumerations specified as valid for Section C	Fees must be valid for the section
Other	Fee Type enumerations specified as valid for Section H	Fees must be valid for the section

In addition, the enforcement of only one instance of “Recording Fee For Deed,” “Recording Fee For Mortgage,” and “Recording Fee Total” is postponed to allow ancillary fees for the recording process to be delivered in the above sections as applicable.

Note: The only change to the Phase 3B requirements in the published Critical Edits Matrix (CEM) v6.02 is an indication that certain messages are “3B Postponed.” These messages will continue to be issued as “warning” severity. Refer to the updated [Joint GSE UCD Phase 3 Critical Edits Feedback Message Mapping Document](#) for the 3B postponed message codes and feedback messages.

Realignment of Fees and Sections

The GSEs are working on updates to the existing UCD Specification v1.5. Included in that work will be a determination of the best approach for ensuring that the fees in each section comply with the Integrated Disclosures regulation first, and then with industry practice. The updated UCD specification will reflect this realignment of fee types. Once that work is completed, the timeline of the “3B Postponed” edits will be announced.

Considerations for Transition Readiness

Ensure your organization’s readiness in advance of the Phase 3B transition to critical/fatal on Nov. 6, 2023:

- Take action by resolving edits early, review CD requirements, and test that the UCD Files match the CD.
- Review UCD reports from the GSEs via their existing channels.
- Test Phase 3B edits in the GSEs’ respective production UCD collection systems and customer testing environments.
- Do not wait for vendor/software partner releases to review your edits.
- Adopt software updates as early as possible.
- Review ALL the Phase 3B edits firing.

- Be aware that fixes in software releases will not cure all edits.

Phase 4 Critical Edits

Lenders and software partners/technology solution providers (TSPs) should consider delaying work to comply with the Phase 4 critical edits currently published in the CEM. While the focus of the edits is expected to remain the same, the specific requirements may change. Updates to the requirements for the Phase 4 critical edits will be included in the UCD Specification update to be published in 2024 and the CEM for Phase 4. Lenders and software partners/TSPs can expect a transition period similar to that used for Phase 3.

Available UCD Resources

The source documents affected by the postponement of certain edits are the [CEM](#) and the [Joint GSE UCD Phase 3 Critical Edits Feedback Message Mapping Document](#).

Each GSE has reporting available via their existing channels. Resources are available on the [Fannie Mae UCD page](#) and the [Freddie Mac UCD page](#) to help you meet the requirements:

- [UCD Critical Edits Matrix v6.02](#) – **Updated**
- [Joint GSE UCD Phase 3 Critical Edits Feedback Message Mapping Document v2.4](#) – **Updated**
Note: All changes are noted in the *Revision Log* tab.
- Joint GSE UCD Phase 3 Critical Edits Job Aids:
 - [Fees](#) – **Updated**
 - [Escrows](#)
 - [Taxes and Other Government Fees](#) – **Updated**
 - [Prepays](#)
 - [Loan Discount Points and Lender Credits](#)
 - [Qualified Mortgage Short Reset ARM APR Percent](#)
- [UCD FAQs](#)
- GSE-specific critical edits [feedback message codes and text](#) – **Updated**

Additional information

For more information on UCD, visit the [Fannie Mae UCD page](#) or the [Freddie Mac UCD page](#).

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