

BULLETIN #2018-16

TO: Distribution

DATE: May 23, 2018

RE: CMG Financial Correspondent Lending Updates

EFFECTIVE: As noted below

CMG FINANCIAL CORRESPONDENT LENDING UPDATES

Topics Covered in this Announcement:

- Update UCD Finding Requirements

UPDATE UCD FINDING REQUIREMENTS

CMG Correspondent Lender Requirements pertaining to UCD Findings

Fannie and Freddie have announced effective 6/25/18 the UCD Findings will receive a fatal error if the PDF CD is not embedded in the upload.

To ensure Fannie Mae and Freddie Mac compliance, effective June 1st, 2018 CMG requires that Correspondents submit Uniform Closing Dataset (UCD) files to both GSEs and provide evidence of a successful submission via the UCD Findings Reports.

UCD Edits in the GSEs' Delivery Systems Turn Fatal

The GSEs use the "Note Date" reported in the loan delivery XML file to determine whether the loan is required to have a corresponding UCD file.

- Each GSE's respective loan delivery system checks for a successful UCD XML file submission and currently issues a "warning" edit if the data are not provided.
- This warning edit will switch to a critical/fatal severity effective June 25, 2018. In preparation for June 25, lenders should be actively preparing for this change by submitting UCD files prior to delivering their loans, as appropriate.
- More information about the critical/fatal edits will be communicated via each GSE's respective delivery system release notes.

Embed the Borrower Closing Disclosure

Previously, the Borrower Closing Disclosure PDF was going to need to be embedded in the UCD XML file as of April 1, 2018 (for all loans with an associated UCD submission). Please be aware that this date has been updated to June 25, 2018.

- Effective June 25, 2018, UCD files submitted to the GSEs without the embedded Closing Disclosure(Borrower only) will receive a fatal/critical edit and will not be accepted in the GSEs' delivery systems.
- As a reminder, the Seller Closing Disclosure will no longer be required by the GSEs (see the December 2017 announcement for details). More information is forthcoming via each GSE's respective UCD system release notes.

Effective Date: *All conventional loans must include a successful and complete UCD Findings Report from both Fannie Mae and Freddie Mac. All pages of the UCD Findings Report must be provided, including all edit messages, and that the UCD Findings Reports are free from fatal errors. The Correspondent Sellers must transfer the successful UCD findings to CMG effective June 1, 2018.*

UCD Announcement: <https://www.fanniemae.com/content/news/ucd-announcement-january-2018.pdf>

Links:

[UCD Implementation Update dated June 6, 2017](#)

[Fannie Mae UCD non sellers quick guide](#)

[Freddie Mac UCD page](#)

[Loan Closing Advisor; The UCD Closing Solution for Correspondent Lenders](#)

[Fannie Mae UCD page](#)

***Please contact your Correspondent National Sales Manager
or your Correspondent Liaison with any questions.***

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