

# Top Loan Closing Advisor® Critical Error Messages – UCD Critical Edits Phase 2



This purpose of this job aid is to help Sellers resolve top Loan Closing Advisor® error messages related to Uniform Closing Dataset (UCD) Critical Edits for Phase 2. Remember that these warning messages are transitioning to critical messages on March 31, 2022.

The top four UCD error messages firing are the following:

1. A line item for Seller Credits must be delivered for every purchase.
2. A line item for Deposit on Sales Contract (aka Earnest Money) must be delivered for every purchase.
3. A sequence number must be included for the first projected payment period (even if there is only one period).
4. The Cash to Close Table final amount (regardless of form used) must be delivered for all loans.

## Seller Credit

### Data Point Requirements

Even if there are no seller credits on a purchase transaction, Closing Adjustment Item Amount must always be provided. It can be equal to "0". Refer to the following table for details.

No.	Message Code	Data Point	Message	Resolution
1	DQC2721 → CRIT0064*	Closing Adjustment Item Amount	Seller Credits are required and must be greater than or equal to \$0.	When Loan Purchase Type = Purchase, the following data points must always be supplied: <ul style="list-style-type: none"> <li>• Closing Adjustment Item Type = "Seller Credit"</li> <li>• IntegratedDisclosureSectionType = "PaidAlreadyByOrOnBehalfOfBorrowerAtClosing"</li> <li>• Closing Adjustment Item Amount greater than or equal to "0"</li> </ul> Verify all these data points exist to clear this edit.

### Example 1: Seller Credit is part of the Purchase Transaction as shown on the Closing Disclosure:

As shown on the Closing Disclosure excerpt below, the seller paid \$7,128.00 of the closing costs on behalf of the borrower:

<b>12.0 L. Paid Already by or on Behalf of Borrower at Closing</b>	<b>12.0.1</b>	<b>\$</b>
01 12.1 Deposit	12.1.1	\$
02 12.2 Loan Amount	12.2.1	\$
03 12.3 Existing Loan(s) Assumed or Taken Subject to	12.3.1	\$
04 12.4	12.4.1	\$
05 12.5 Seller Credit	12.5.1	\$7,128.00



### Seller Credit Line Item Correctly Delivered in UCD XML file

The following XML snippet shows a correctly delivered seller credit line item of \$7,128.00.

```

<mismo:CLOSING_INFORMATION>
  <mismo:CLOSING_ADJUSTMENT_ITEMS>
    <mismo:CLOSING_ADJUSTMENT_ITEM>
      <mismo:ClosingAdjustmentItemAmount>7128</mismo:ClosingAdjustmentItemAmount>
      <mismo:ClosingAdjustmentItemPaidOutsideOfClosingIndicator>>false</mismo:ClosingAdjustmentItemPaidOutsideOfClosingIndicator>
      <mismo:ClosingAdjustmentItemType>SellerCredit</mismo:ClosingAdjustmentItemType>
      <mismo:IntegratedDisclosureSectionType>PaidAlreadyByOrOnBehalfOfBorrowerAtClosing</mismo:IntegratedDisclosureSectionType>
    </mismo:CLOSING_ADJUSTMENT_ITEM>
  </mismo:CLOSING_ADJUSTMENT_ITEMS>
</mismo:CLOSING_INFORMATION>

```

### Example 2: No Seller Credit shown on Closing Disclosure

In this example, the Seller Credit amount is left blank (could also be zero), indicating that seller paid none of the borrower's costs.

12.0 L. Paid Already by or on Behalf of Borrower at Closing	12.0.1	\$
01 12.1 Deposit	12.1.1	\$
02 12.2 Loan Amount	12.2.1	\$
03 12.3 Existing Loan(s) Assumed or Taken Subject to	12.3.1	\$
04 12.4	12.4.1	\$
05 12.5 Seller Credit	12.5.1	\$

### No Seller Credits Correctly Delivered in UCD xml file

Even when there are no seller credits, or the amount on the Closing Disclosure for Seller Credit is zero, the Seller Credit line item must still be delivered as shown in the following xml snippet:

```

<mismo:CLOSING_INFORMATION>
  <mismo:CLOSING_ADJUSTMENT_ITEMS>
    <mismo:CLOSING_ADJUSTMENT_ITEM>
      <mismo:ClosingAdjustmentItemAmount>0</mismo:ClosingAdjustmentItemAmount>
      <mismo:ClosingAdjustmentItemPaidOutsideOfClosingIndicator>>false</mismo:ClosingAdjustmentItemPaidOutsideOfClosingIndicator>
      <mismo:ClosingAdjustmentItemType>SellerCredit</mismo:ClosingAdjustmentItemType>
      <mismo:IntegratedDisclosureSectionType>PaidAlreadyByOrOnBehalfOfBorrowerAtClosing</mismo:IntegratedDisclosureSectionType>
    </mismo:CLOSING_ADJUSTMENT_ITEM>
  </mismo:CLOSING_ADJUSTMENT_ITEMS>
</mismo:CLOSING_INFORMATION>

```



## Deposit on Sales Contract

### Data Point Requirements

In order to reduce the number of edits that display in the feedback message, the same message code will fire if the requirements for any of the 3 data points below are not met. Even if there is no deposit on a purchase transaction, Closing Adjustment Item Amount must always be provided. It can be equal to "0." Refer to the following table for details.

No.	Message Code	Data Point	Message	Resolution
2	DQC3002/ CRIT0066	Funds Type	The Deposit On Sales Contract amount is required and must be greater than or equal to \$0.	<p>When Loan Purchase Type = Purchase, the following data points must always be supplied:</p> <ul style="list-style-type: none"> <li>Closing Adjustment Item Type = "Deposit On Sales Contract"</li> <li>IntegratedDisclosureSectionType = "PaidAlreadyByOrOnBehalfOfBorrowerAtClosing"</li> <li>Closing Adjustment Item Amount greater than or equal to "0"</li> </ul> <p>Verify all these data points exist to clear this edit.</p>
		Integrated Disclosure Section Type		
		Closing Cost Fund Amount		

### Example 1: Deposit is part of the Purchase Transaction as shown on the Closing Disclosure:

As shown on the Closing Disclosure excerpt below, a deposit (earnest money) of \$10,000 was made toward the purchase:

<b>12.0 L. Paid Already by or on Behalf of Borrower at Closing</b>		<b>12.0.1 \$</b>
01	12.1 Deposit	12.1.1 \$10,000.00
02	12.2 Loan Amount	12.2.1 \$
03	12.3 Existing Loan(s) Assumed or Taken Subject to	12.3.1 \$
04	12.4	12.4.1 \$
05	12.5 Seller Credit	12.5.1 \$7,128.00

### Deposit on Sales Contract Line Item Correctly Delivered in UCD xml file

The following xml snippet shows a correct Deposit line item of \$10,000.00.

```

<mismo:CLOSING_INFORMATION>
  <mismo:CLOSING_COST_FUNDS>
    <mismo:CLOSING_COST_FUND>
      <mismo:ClosingCostFundAmount>10000</mismo:ClosingCostFundAmount>
      <mismo:FundsType>DepositOnSalesContract</mismo:FundsType>
      <mismo:IntegratedDisclosureSectionType>PaidAlreadyByOrOnBehalfOfBorrowerAtClosing</mismo: IntegratedDisclosureSectionType>
    </mismo:CLOSING_COST_FUND>
  </mismo:CLOSING_COST_FUNDS>
</mismo:CLOSING_INFORMATION>

```



### Example 2: No deposit was made toward the Purchase Transaction as shown on the Closing Disclosure:

As shown on the Closing Disclosure excerpt below, the amount for the Deposit line item is blank (could also be “0”):

<b>12.0 L. Paid Already by or on Behalf of Borrower at Closing</b>	<b>12.0.1</b>	<b>\$</b>
01 12.1 Deposit	12.1.1	\$
02 12.2 Loan Amount	12.2.1	\$
03 12.3 Existing Loan(s) Assumed or Taken Subject to	12.3.1	\$
04 12.4	12.4.1	\$
05 12.5 Seller Credit	12.5.1	\$7,128.00

### Deposit on Sales Contract Line Item Correctly Delivered in UCD xml file

Even when there is no Deposit, or the amount on the Closing Disclosure for Deposit is “0”, the Deposit line item must still be delivered as shown in the following xml snippet:

```

<mismo:CLOSING_INFORMATION>
  <mismo:CLOSING_COST_FUNDS>
    <mismo:CLOSING_COST_FUND>
      <mismo:ClosingCostFundAmount>0</mismo:ClosingCostFundAmount>
      <mismo:FundsType>DepositOnSalesContract</mismo:FundsType>
      <mismo:IntegratedDisclosureSectionType>PaidAlreadyByOrOnBehalfOfBorrowerAtCl
        osing</mismo: IntegratedDisclosureSectionType>
    </mismo:CLOSING_COST_FUND>
  </mismo:CLOSING_COST_FUNDS>
</mismo:CLOSING_INFORMATION>

```

## Project Payment Table Period Number

### Data Point Requirements

Even when there is only one column in the Projected Payment table, the SequenceNumber attribute = “1” must always be delivered. Refer to the following table for details.

No.	Message Code	Data Point	Message	Resolution
3	DQC058→ CRIT0049	SequenceNumber	The first projected payment period is required	The following data points must always be supplied: <ul style="list-style-type: none"> <li>Closing Adjustment Item Type = "Seller Credit"</li> <li>IntegratedDisclosureSectionType = "PaidAlreadyByOrOnBehalfOfBorrowerAtClosing"</li> <li>Closing Adjustment Item Amount greater than or equal to “0”</li> </ul> Verify all these data points exist to clear this edit.

### Example: Loan with no payment adjustments as shown on the Closing Disclosure:

Regardless of the number of project payment periods (columns) on the Closing Disclosure, even if there is only one, the Sequence Number attribute = “1” must always be delivered.



<b>Projected Payments</b>	5.0	"n" = period number
5.1 Payment Calculation	5.1.1	Years 1 – 30

**Projected Payments table with no payment adjustments correctly delivered in UCD xml file:**

The following xml snippet shows a correctly delivered instance of PROJECTED\_PAYMENT when there is no change to the payment throughout the life of the loan.

```
<mismo:PROJECTED_PAYMENTS>
  <mismo:PROJECTED_PAYMENT>SequenceNumber>1</
    <mismo:PaymentFrequencyType>Monthly</PaymentFrequencyType>
    <mismo:ProjectedPaymentCalculationPeriodEndNumber>30</mismo:ProjectedPaymentCalculati
      onPeriodEndNumber
    <mismo:ProjectedPaymentCalculationPeriodStartNumber>0</mismo:ProjectedPaymentCalculati
      onPeriodEndNumber
    <mismo:ProjectedPaymentCalculationPeriodTermType>Yearly</mismo:ProjectedPaymentCalcul
      ationPeriodEndNumber
    <mismo:ProjectedPaymentEstimatedTotalMaximumPaymentAmount>1500</mismo:ProjectedPa
      ymentEstimatedTotalMaximumPaymentAmount>
    <mismo:ProjectedPaymentPrincipalAndInterestMaximumPaymentAmount>1500</mismo:Project
      edPaymentPrincipalAndInterestMaximumPaymentAmount>
    <mismo:IntegratedDisclosureSectionType>PaidAlreadyByOrOnBehalfOfBorrowerAtClosing</
      mismo: IntegratedDisclosureSectionType>
</mismo:PROJECTED_PAYMENT>
```

## Cash To Close Table (Model and Alternate Forms)

Both the Model and Alternate forms have a total for the Cash to Close table, and the same UCD data points are used no matter which form is used.

**Data Point Requirements**

No matter which Closing Disclosure has been completed, the Cash to Close tables on both have a total, and this must always be provided in the UCD file. Refer to the following table for details.

No.	Message Code	Data Point	Message	Resolution
4	DQC796 → CRIT0060*	Integrated Disclosure Cash To Close Item Type = "Cash To Close Total"	A cash to close item of Cash To Close Total with the final amount is required.	The following data points must always be supplied: <ul style="list-style-type: none"> <li>IntegratedDisclosureCashToCloseItem = "CashToCloseTotal"</li> <li>IntegratedDisclosureCashToCloseItemFinalAmount</li> </ul> Verify all these data points exist to clear this edit.



### Example: Calculating Cash to Close Table – Cash to Close final total:

The line item highlighted in yellow in the following table shows the Cash to Close Final Total amount that must be delivered in every loan file.

Calculating Cash to Close		10.0 Use this table to see what has changed from your Loan Estimate.			
	Loan Estimate	Final	Did this change?		
10.1 Total Closing Costs (J)	10.1.1 \$8,054.00	10.1.2 \$8,574.29	10.1.3 YES	10.1.4 • See Total Loan Costs (D) and Total Other Costs (I)	
10.2 Closing Costs Paid Before Closing	10.2.1 \$0	10.2.2 -\$ 40.00	10.2.3 YES	10.2.4 • You paid these Closing Costs before closing	
10.3 Closing Costs Financed (Paid from your Loan Amount)	10.3.1 \$0	10.3.2 \$0	10.3.3 NO	10.3.4	
10.4 Down Payment	10.4.1 \$36,000.00	10.4.2 \$36,000.00	10.4.3 NO	10.4.4	
10.5 Deposit	10.5.1 \$10,000.00	10.5.2 \$10,000.00	10.5.3 NO	10.5.4	
10.6 Funds for Borrower	10.6.1 \$0	10.6.2 \$0	10.6.3 NO	10.6.4	
10.7 Seller Credits	10.7.1 \$0	10.7.2 -\$2,500.00	10.7.3 YES	10.7.4 • See Seller Credits in Section L	
10.8 Adjustments and Other Credits	10.8.1 \$5,000.00	10.8.2 \$14,215.00	10.8.3 YES	10.8.4 • See details in Sections K and L	
10.9 Cash to Close	10.9.1 \$39,054.00	10.9.2 \$17,819.29			

### Cash To Close Total correctly delivered in UCD xml file:

The following xml snippet shows a correctly delivered instance of Cash to Close Total.

```
<mismo:CASH_TO_CLOSE_ITEMS>
  <mismo:CASH_TO_CLOSE_ITEM>
    <mismo:IntegratedDisclosureCashToCloseItemEstimatedAmount>39054.00</IntegratedDisclosureCashToCloseItemEstimatedAmount>
    <mismo:IntegratedDisclosureCashToCloseItemFinalAmount>17819.29</IntegratedDisclosureCashToCloseItemFinalAmount>
    <mismo:IntegratedDisclosureCashToCloseItemType>CashToCloseTotal</mismo:IntegratedDisclosureCashToCloseItemType>
  </mismo:CASH_TO_CLOSE_ITEM>
</mismo:CASH_TO_CLOSE_ITEMS>
```

If the user does not provide either the “Cash To Close Total” or “Cash to Close Item Final Amount” in the Cash to Close Item Type, the critical edit will fire.