

Loan Closing Advisor June 27, 2023 Release Notes

Effective June 27, 2023, we're making updates to Loan Closing Advisor[®] feedback messages related to Uniform Closing Dataset (UCD) Phase 3B Critical Edits. The following updates will be implemented in the Loan Closing Advisor customer test environment (CTE) on June 22 and in production on June 27.

Added Enumerations

Freddie Mac and Fannie Mae (the GSEs) aligned on the addition of fee enumerations in sections *B. Services Borrower Did Not Shop For* and *C. Services Borrower Did Shop For*. On June 27, Loan Closing Advisor will be updated with following fee enumerations:

Closing Disclosure (CD) Section	Fee Type Enumeration
B. Services Borrower Did Not Shop For	<ul style="list-style-type: none"> AttorneyFee
C. Services Borrower Did Shop For	<ul style="list-style-type: none"> MunicipalLienCertificateFee ReconveyanceFee TaxRelatedServiceFee

Note: Feedback message DQC1331/CRIT0102 will no longer fire when these enumerations are provided in these sections.

Segregation of Edit Logic for “Prepaid ItemType = PrepaidInterest” Edit

A new Loan Closing Advisor edit and feedback message will be implemented to align with UCD critical edits requirements for delivery of prepaid interest. Currently, ‘PrepaidInterest’ edit DQC2452/CRIT0230 checks for **both** the existence of PrepaidItemType = “PrepaidInterest” and the requirement that it be delivered only once. This new edit is being added to segregate the requirement that PrepaidItemType = “PrepaidInterest” be present with the requirement that only one instance of PrepaidItemType = “PrepaidInterest” be delivered.

With this change:

- Existing edit DQC2452/CRIT0230 will check for the presence of PrepaidItemType = “PrepaidInterest”.
- New edit (DQC2453/CRIT0238) checks that no more than one instance of PrepaidItemType = “PrepaidInterest” is delivered.

New:

CD Section	Data Point	New Message Code	Message Text
F. Prepays	PrepaidItemType = “PrepaidInterest”	DQC2453 CRIT0238	“The Prepaid Interest item may be provided only once for each transaction.”

Updated:

This message is updated to ensure at least one instance of PrepaidItemType = “PrepaidInterest” is provided. New message DQC2453 will check for multiple instances.

CD Section	Datapoint	Message Code	Message Text	New Message Text
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F. Prepays	PrepaidItemType = "PrepaidInterest"	DQC2452 CRIT0230	"The Prepaid Interest item must be provided and delivered only once for each transaction. If prepaid interest is not part of the transaction, '\$ per day' and Paid By amounts may be '\$0'."	"The Prepaid Interest item must be provided for each transaction. If there is no prepaid interest with this transaction, Prepaid Interest must be delivered with a Paid By amount of '\$0'."
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Modified Logic

The following edits in section *G. Initial Escrow Payment at Closing* will be updated:

The edit in the following table will fire for any Escrow Item Type value (except "MortgageInsurance") that is missing the EscrowItemActualPaymentAmount. In other words, the edit will no longer fire when EscrowItemType = "MortgageInsurance" and EscrowItemActualPaymentAmount is not provided.

Datapoint	Message Code	Message Text
EscrowItemActualPaymentAmount	DQC1311 CRIT0262	"A Paid By Amount is required for escrow item '"+%Escrow Item Type (Subject Loan: UCD)%+'."

The following edits were also updated in support of this logic change:

Condition	Datapoint	Message Code	Message Text
This edit checked for the existence of EscrowActualPaymentAmount as well. This check was removed.	IntegratedDisclosureSectionType = "InitialEscrowPaymentAtClosing"	DQC1308 CRIT0250	UCD File Error: /ESCROW_ITEM/ESCROW_ITEM_DETAIL/IntegratedDisclosureSectionType = 'InitialEscrowPaymentAtClosing' is required for the '"+%Escrow Item Type (Subject Loan: UCD)%+' escrow item.
This edit checked for the existence of EscrowActualPaymentAmount as well. This check was removed.	IntegratedDisclosureSectionType = "InitialEscrowPaymentAtClosing"	DQV404 CRIT0251	The section heading must be 'InitialEscrowPaymentAtClosing' instead of '"+%Integrated Disclosure Section Type (Subject Loan: Escrow: UCD)%+' for the '"+%Escrow Item Type (Subject Loan: UCD)%+' escrow item.
Updated Logic	EscrowMonthlyPaymentAmount	DQC1305 CRIT0259	The '\$ per month' is required for the escrow item '"+%Escrow Item Type (Subject Loan: UCD)%+' when at least one Paid By amount is not equal to '\$0'.
Updated Logic	EscrowMonthlyPaymentAmount	DQC1343	"The value provided for escrow item '\$ per month' is not consistent with the Paid By value(s)."

Updated Feedback Message Text

The following message text will be updated:

Section	Datapoint	Message Code	Old Message Text	New Message Text
G. Initial Escrow Payment at Closing	EscrowMonthlyPaymentAmount	DQC1345 CRIT0260	An amount for dollars per month is required for escrow item '"+%Escrow Item Type (Subject Loan: UCD)%+' when	A non-zero value for /ESCROW_ITEM/ESCROW_ITEM_DETAIL/EscrowMonthlyPaymentAmount is required for the escrow item '"+%Escrow Item Type (Subject



			the Paid By amount is not equal to \$0.	Loan: UCD)%+" when at least one instance of /ESCROW_ITEM/ESCROW_ITEM_PAYMENTS/ESCROW_ITEM_PAYMENT/EscrowItemActualPaymentAmount is not equal to '0'.
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Removed Messages

The following warning and critical edits and messages are being removed:

Condition	Section	Container/Data Point	Message Code	Message Text
Logic no longer valid	G. Initial Escrow Payment at Closing	PAYMENT Container	DQC1313 CRIT0264	"UCD File Error: At least one instance of ESCROW_ITEM_PAYMENT is required for the escrow item."
Logic no longer valid	G. Initial Escrow Payment at Closing	EscrowItemType	DQC1314 CRIT0252	"A valid Escrow item is required with the Paid By amount '"+%Escrow Item Actual Payment Amount (Subject Loan: UCD)%+'."
Logic no longer valid	G. Initial Escrow Payment at Closing	EscrowItemType	DQC1315	Escrow items must not be provided when the Closing Disclosure indicates there is no escrow account on the loan.
Logic no longer valid	G. Initial Escrow Payment at Closing	EscrowItemType EscrowIndicator	DQC1319 CRIT0254	"An escrow item and Paid By Amount are required in the Initial Escrow Payment at Closing section."
Duplicate edit	F. Prepays	PrepaidItemActualPaymentAmount	DQC551 CRIT0235	"A Prepays item must have a Paid By amount in the Prepays Section."
Logic no longer valid	F. Prepays	PAYMENT Container	DQC557	"Payment information is required for the CountyPropertyTax prepaid item."
Logic no longer valid	A. Origination Charges B. B. Services Borrower Did Not Shop For C. C. Services Borrower Did Shop For	PAYMENT Container	DQC1354 CRIT0133	"UCD File Error: At least one instance of FEE_PAYMENT is required for the item '"+%Fee Type (Subject Loan: UCD)%+' in the '"+%Integrated Disclosure Section Type (Subject Loan: Fee Information: UCD)%+' section."