



TO: Correspondent Lenders

FROM: Jason Kershaw, Operations Manager

DATE September 15, 2017

RE: Uniform Closing Dataset

Uniform Closing Dataset (UCD)

New requirements for submitting Fannie Mae and Freddie Mac conforming loans with Note dates on or after September 25, 2017 to Cornerstone Home Lending, Inc.

Why the Change?

These changes are necessary due to the upcoming Uniform Closing Dataset (UCD) requirements mandated by Fannie Mae and Freddie Mac in support of the Consumer Financial Protection Bureau's Closing Disclosure.

Please note the new information below with regards to establishing a relationship with Cornerstone Home Lending, Inc. in the GSE portals and assigning loans to Cornerstone.

- Each loan sold to Fannie Mae and Freddie Mac with a Note date on or after September 25, 2017 must be accompanied by a UCD XML file as mandated by the GSEs. The UCD XML file must represent the most current and accurate agreed-upon terms of the loan. Consequently, Cornerstone Home Lending, Inc will require that all loans submitted for purchase with Notes dated on or after September 25, 2017 conform to the UCD Requirements.
- To support these requirements, Cornerstone Home Lending, Inc recommends that all CLD lenders evaluate their loan origination systems and partner with their vendor(s) to ensure UCD XML files can be submitted directly to Fannie Mae or Freddie Mac.
- The requirement to embed the associated PDF copy of the Closing Disclosure in the UCD XML file has been postponed by the GSEs until April 2018.

Establishing a relationship with Cornerstone Home Lending

To successfully submit loans to Cornerstone Home Lending, Inc., lenders must first establish an Aggregator/Correspondent relationship with Cornerstone Home Lending, Inc. in the GSE UCD portals.

This is a one-time process that you must complete in the GSE UCD websites before you can submit loans to Cornerstone Home Lending, Inc for purchase.

Fannie Mae:

- When establishing the relationship with Fannie Mae, please search under Subscriber name: Cornerstone Home Lending, Inc.

Freddie Mac:

- When establishing the relationship with Freddie Mac, please search under the Aggregator name: Cornerstone Home Lending, Inc.

Lenders must successfully submit the UCD XML file to both GSEs, after validating the files, the GSEs will provide a feedback certificate as evidence of the successful upload.

Cornerstone Home Lending, Inc also recommends the lenders assign their UCD XML files to Cornerstone Home lending, Inc. through the GSE portals (using the appropriate identifier as described above). This will allow Cornerstone Home Lending, Inc to download the lenders 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 Cornerstone Home Lending, Inc. The reports must be successful, failed reports will be returned for corrections prior to purchase.

Within every imaged loan file submitted for purchase, Cornerstone Home Lending, Inc. will require that each conventional agency loan include the respective UCD feedback certificate as proof of successful delivery to the GSEs.

- Fannie Mae UCD Finding Report
- Freddie Mac Loan Closing Advisor Feedback Certificate

The submitted Closing Disclosure and UCD XML file must represent the accurate agreed-upon terms of the loan at the time of delivery to the GSEs.

Please Note: lenders must resubmit loans to the GSEs if any material changes are made to the final Closing Disclosure. The UCD Feedback certificates associated with those resubmissions must also be sent to Cornerstone Home Lending, Inc.

Delivery of seller Closing Disclosures will not be required by the GSEs until Q3 2018. However, the GSEs recommend including the seller Closing Disclosure with the borrower Closing Disclosure in the XML file when possible.

Both GSEs will require the use of form H-25(E) for refinance transactions

For more information about the requirements and how to implement the UCD- including a list of appendices with delivery specifications- refer to freddiemac.com and fanniemae.com or review the list of UCD FAQs provided by both GSEs. Appendices A/B and H/I on both websites cover how to create the XML files

As always, your business is greatly appreciated. If you have questions regarding these issues, please contact me at jkershaw@houseloan.com.

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