

UAD 3.6 & ULDD Phase 5: A Complete Readiness Guide

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Executive Summary

The transformation of appraisal and loan-delivery data standards under the Uniform Mortgage Data Program (UMDP) has reached a pivotal juncture. This report examines the upcoming “cutover” to the new **UAD 3.6** appraisal dataset and the related **ULDD Phase 5** dataset enhancements. Jointly mandated by the Federal Housing Finance Agency (FHFA), the Uniform Appraisal Dataset (UAD) and Uniform Loan Delivery Dataset (ULDD) are being updated to improve data quality, consistency, and [risk management](#). UAD 3.6 (based on MISMO® 3.6) introduces a redesigned, dynamic appraisal form to replace dozens of legacy forms (Source: [singlefamily.fanniemae.com](#)) (Source: [www.americanbanker.com](#)). Likewise, ULDD Phase 5 adds and revises loan-delivery data points (e.g. credit score identifiers, remote-notarization indicators) to align with UAD changes and new credit-reporting initiatives (Source: [sf.freddiemac.com](#)) (Source: [sf.freddiemac.com](#)).

Key timelines include the ULDD Phase 5 **mandatory implementation by mid-2025** and an optional delivery period starting June 3, 2024 (Source: [sf.freddiemac.com](#)) (Source: [singlefamily.fanniemae.com](#)). UAD 3.6 enters limited production in mid-2025, with broad optional use in early 2026 and mandatory adoption by Nov. 2, 2026 (Source: [www.nationalmortgagenews.com](#)) (Source: [www.nationalmortgagenews.com](#)). Lenders, servicers, and technology providers must prepare by updating systems, data feeds, compliance rules, and [workflows](#). This report provides a thorough analysis of historical context, specifics of each initiative, timelines, vendor and lender readiness tasks, and the broader implications for the mortgage industry. It draws on official guidance, industry analyses, and expert commentary to offer evidence-based insights and actionable recommendations.

Introduction and Background

Following the 2008 financial crisis, U.S. mortgage regulators recognized the need for standardized data to improve transparency and risk management. In 2009-2011, **Fannie Mae** and **Freddie Mac** (the Government-Sponsored Enterprises, or GSEs) established the *Uniform Mortgage Data Program (UMDP)* under FHFA direction (Source: [singlefamily.fanniemae.com](#)). A core UMDP initiative was the **Uniform Collateral Data Portal (UCDP)** launched in mid-2011, soon followed by the first Uniform Appraisal Dataset (UAD)

standard (Source: www.nationalmortgagenews.com). UAD initially overlaid new data fields on legacy 1004 appraisal forms. Similarly, the UMDP included the **Uniform Loan Delivery Dataset (ULDD)** to standardize the data elements required at loan delivery.

The UMDP encompasses multiple components (URLA/ULAD, UAD, ULDD, Uniform Closing Dataset, etc.) aimed at enhancing data quality and downstream efficiency (Source: singlefamily.fanniemae.com). Fannie Mae describes UMDP as a joint effort (Directed by FHFA) “to enhance mortgage data quality and standardization” (Source: singlefamily.fanniemae.com). Under UMDP, the new UAD 3.6 and ULDD Phase 5 initiatives represent the latest phase of industry-wide data modernization. According to Fannie Mae, UAD 3.6 is intended to “improve the quality and consistency of appraisal data,” aligning appraisal reporting with MISMO v3.6 standards in a single flexible report (Source: singlefamily.fanniemae.com) (Source: www.americanbanker.com). ULDD Phase 5 similarly seeks to align loan-level data with current requirements (including incorporation of appraisal updates) and the Enterprise Credit Score/Credit Report projects (Source: singlefamily.fanniemae.com) (Source: sf.freddiemac.com). Together, these updates reflect lessons from the crisis and ongoing efforts to reduce manual errors through uniform data.

Broadly, *data standardization* delivers benefits to both GSEs and lenders. Freddie Mac explains that ULDD’s “granular, standardized” data elements give sellers a common understanding of each data point and greater transparency in mortgage-risk assessment (Source: sf.freddiemac.com). Similarly, the new appraisal standards promise more complete and consistent appraisal information, potentially reducing underwriting friction (Source: www.americanbanker.com) (Source: sf.freddiemac.com). However, the scope of change is extensive: [appraisal vendors](#) warn that only about 6% of fields overlap between UAD 2.6 and 3.6 forms (Source: www.alamode.com), and the standardized datasets add dozens of new fields. These shifts demand significant preparatory work by all participants.

This report will first detail the technical and business changes in UAD 3.6 and ULDD Phase 5, then discuss the implementation timeline and readiness steps, including technology upgrades, testing, and training. It presents multiple perspectives — from GSE policy releases to vendor roadmaps and expert analysis — and includes data-driven insights and examples from the industry. The goal is to inform lenders, servicers, appraisers, and vendors of the substantive changes and best practices to ensure a smooth cutover to the new data standards.

The UAD 3.6 Appraisal Redesign

Overview of UAD 3.6

The Uniform Appraisal Dataset 3.6 (UAD 3.6) is a comprehensive overhaul of the appraisal forms and data specifications used by Fannie Mae and Freddie Mac. At its core is a new **Uniform Residential Appraisal Report (URAR) format** that replaces 12 legacy appraisal forms (including Form 1004, 1073, 2055, etc.) with a *single dynamic report* (Source: www.alamode.com) (Source: www.americanbanker.com). The new form is data-driven: fields appear or hide based on property type and entered data, unlike static PDF forms. Most data from the borrower, payment, photos, and analysis sections is now captured in a structured XML dataset (aligned with MISMO v3.6), while still producing a human-readable PDF.

Fannie Mae emphasizes that UAD 3.6 is built on MISMO 3.6 standards (Source: singlefamily.fanniemae.com). MISMO (Mortgage Industry Standards Maintenance Organization) version 3.6 provides a modern XML schema with richer data types and conditional logic that older MISMO 2.6 could not support. For example, UAD 3.6 includes entirely new data elements (such as [foundation condition](#), fire sprinkler details, utilities, etc.) and more granular classification of existing items (e.g. denoting “Baseboard” heating vs. generic “other type”). In total, the dataset incorporates dozens of new fields compared to UAD 2.6. The industry has noted the extensive nature of the change: “[a]bout 6% of the fields match between the old and new formats” (Source: www.alamode.com), meaning nearly 94% of data points have changed. This is reflected in the consolidation of decades of templates: as one industry expert observed, “the update also consolidates three decades of appraisal templates... the data template is all consolidated onto one truly universal uniform appraisal structure” (Source: www.americanbanker.com). In practice, that means traditional Form 1004, 1073, 2055, etc. are retired and replaced by one adaptable URAR.

The GSEs have underscored that UAD 3.6 aims to *improve data quality and consistency*. Official guidance notes that UAD 3.6 replaces legacy forms with a “single data-driven, flexible, and dynamic” report (Source: singlefamily.fanniemae.com). This promises to eliminate many redundant or irrelevant fields — e.g. contract sections will only appear for purchase transactions, not refinance — and to enforce completeness via conditional prompts. According to ServiceLink’s Elizabeth Green (chair of MISMO’s Property &

Valuation committee), the redesign “streamlines the process so that everything is in the file using one form rather than several outdated forms,” reducing revisions (Source: www.americanbanker.com). In other words, by requiring more structured fields upfront, lenders hope to reduce the back-and-forth of missing data.

Another goal is to be compatible with modern technology. The consolidated MISMO 3.6 data model enables use of mobile tools and automated analytics. For example, the new dataset is well-suited for AI and photo tagging, potentially allowing underwriting systems to analyze appraisal images and data fields more easily. One commentator notes that with UAD 3.6 “lenders will see more consistent data” and can more easily leverage automation and analytics on appraisal content (Source: www.americanbanker.com). The rewritten forms were developed by the same team behind the TRID disclosures, lending them a modern, consumer-friendly appearance (Source: www.nationalmortgagenews.com) (Source: www.americanbanker.com).

However, stakeholders also caution that UAD 3.6 imposes a heavier data-gathering burden on appraisers. The forms include additional narrative sections (for instance, a single consolidated “Site Description” clue that may hide or show landlords) and photo fields. Appraisers have expressed concerns that collecting many new detail fields and photos could require more inspection time. In practice, however, the GSEs insist that the improved standardization and rule-checking will ultimately cut cycles. As Elizabeth Green notes, the first UAD edition merely added fields to static forms; UAD 3.6 rebuilds the entire workflow, so while it demands more input initially, it “provides stakeholders the opportunity to improve automation as the industry moves to fully digitize the entire valuation process” (Source: www.nationalmortgagenews.com).

UAD 3.6 Timeline and “Cutover” Dates

UAD 3.6 is being introduced via a phased rollout rather than an immediate mandate. This is a major change from the original UAD rollout of 2011. According to GSE guidance and industry reports, the rollout timing is as follows:

- **Limited Production (Sept 8, 2025 - Jan 25, 2026):** A handful of approved lenders (and their appraisal vendors) may originate appraisals in the UAD 3.6 format. The GSEs announced that on *Sept. 8, 2025* “the Limited Production Period for UAD 3.6 and Forms Redesign is finally here” (Source: singlefamily.fanniemae.com). During this phase, mostly pilot and interested institutions will submit a mix of old and new forms in the UCDP. This period serves as an extended Beta test.
- **Broad Optional (Jan 26, 2026 - Nov 1, 2026):** Starting *Jan. 26, 2026*, all lenders may use either UAD 2.6 or UAD 3.6 for any appraisal submissions (Source: blogs.alamode.com) (Source: www.nationalmortgagenews.com). That is, GSE systems will accept both formats, allowing any lender to transition at their own pace. Encouraged by [a la mode's timeline](#) and official guidance, many participants will use this window to implement, test, and train.
- **Mandatory Adoption (Nov 2, 2026 onward):** On *Nov. 2, 2026* the new UAD 3.6 URAR becomes fully mandatory for all purchase/delivery in UCDP (Source: blogs.alamode.com) (Source: www.nationalmortgagenews.com). After this point, new appraisals must use the redesigned form and data. (Revisions to legacy 2.6 apps are still allowed until May 2, 2027 (Source: blogs.alamode.com).) In industry parlance, the Nov. 2, 2026 date is often called the “cutover” to UAD 3.6, after which old UAD forms can no longer be used for new appraisal orders. One source summarizes: “mandatory adoption of the new Uniform Residential Appraisal Report (URAR) begins Nov. 2, 2026” (Source: www.nationalmortgagenews.com).

These dates are supported by multiple sources. For instance, a National Mortgage News analysis notes the phases explicitly: “In September [2025], a limited production phase will launch... On Jan. 26, 2026, it will be open for optional use... Mandatory adoption... begins Nov. 2, 2026” (Source: www.nationalmortgagenews.com). Fannie Mae’s own site similarly references a limited-production start on Sept. 8, 2025 (Source: singlefamily.fanniemae.com). Industry blogs confirm that e.g. appraisal software providers intend to get beta-ready by Sept 2025 (Source: www.alamode.com).

The extended lead time reflects the complexity. Importantly, the UCDP portal will enforce 3.6 compliance after Nov 2, 2026. Case in point: a press report on tech vendor Dark Matter noted that “UAD 3.6 will be available to lenders during a limited production period starting Sept. 8. Its use becomes mandatory for UCDP submissions on Nov. 2, 2026” (Source: www.nationalmortgagenews.com). Thus lenders should plan that after these cutover dates only the new dataset will be accepted; systems and staff must be ready well in advance.

UAD 3.6 Implications and Preparations

Data and Workflow Changes

UAD 3.6 significantly alters the appraisal process. The single Unified Appraisal report requires appraisers to fill out many new or restructured fields. For example, where previously appraisers checked “central air” or “window type” in separate sections, UAD 3.6 now collects structured building and site characteristics (foundation, porch, outbuildings, etc.). Many narrative comments have moved to new structured tables with pick-lists guided by MISMO codes. Key changes include:

- **New Data Points:** Dozens of fields are new (e.g. property type details, utility connections, quality and condition items) (Source: www.alamode.com) (Source: www.americanbanker.com). For example, properties with multiple parcels now require special subdivision information (one party-owner field, one as an attachment). Commentary that had no dedicated form now appears in context, reducing missing details.
- **Dynamic, Conditional Logic:** The new URAR form shows or hides fields based on previous answers. For example, if the appraisal covers multiple units, different sections appear. If there is a basement, additional condition fields appear. This logic is encoded in MISMO schema and enforceable by software (unlike the old static PDFs).
- **Consolidated Forms:** Twelve legacy forms are retired. The single Universal 1004-like form now handles all scenarios. As noted above, all “decades of appraisal templates” are merged (Source: www.americanbanker.com).
- **Integration with Mobile Tools:** UAD 3.6 is designed to work with mobile sketching and photo tools. Vendors emphasize that appraisers should use mobile apps on-site to capture all required fields (and photos), since trying to recall them off-site would be “a nightmare” (Source: blogs.alamode.com).
- **New Compliance Rules:** The GSEs have updated appraisal review rules for UAD 3.6. (Source: singlefamily.fanniemae.com) Some previously voluntary narrative explanations now have mandatory compliance thresholds. Lenders will need to update training, review checklists, and QC rules accordingly. For example, new critical edits will enforce timely entry of all required fields before submission.

Benefits to Lenders and Borrowers

While the transition effort is heavy, the expected benefits are substantial. Standardized appraisal data should *improve underwriting consistency*. All lenders will use the same picklist values (e.g. the same coding for “Open House Date” or “Fireplaces”). This reduces clerical variation and potentially the need for manual re-classification. More complete online data means lenders can better leverage automated Collateral Underwriter or other appraisal-analysis tools. In the long run, the GSEs anticipate that better data may support more advanced analytics (e.g. AI-based fraud checks or AVMs with richer inputs).

A key advantage is the simplified business process. As one industry executive put it, instead of managing multiple form templates, lenders and appraisers now deal with “one truly universal... appraisal structure” (Source: www.americanbanker.com). This could make training and compliance smoother. Also, because fields adapt dynamically, appraisers only fill relevant sections; redundant fields are removed. For example, if a refinance has no purchase contract, the contract section auto-hides, reducing unnecessary work. The net effect should be fewer delayed loans due to missing appraisals: appraisers are guided to complete all required data on the spot.

Challenges and Risks

The scale of overhaul is daunting. Industry participants worry about initial productivity impacts. Updating business processes is costly. Every lender’s appraisal management and underwriting software, as well as the Appraisal Portals (UCDP), must be updated to handle the new format by the deadlines (Source: singlefamily.fanniemae.com) (Source: www.nationalmortgagenews.com). This includes analytics systems that ingest appraisal data for risk modeling. Lenders will likely face a surge in training needs for underwriters, seller/servicer staff, and appraisers.

There are also transitional data risks. During the optional period, some appraisals will use UAD 2.6 and others 3.6. Lenders must internally track which data standard each loan uses, and ensure no system mismatch. Many vendors and lenders will run parallel environments, validating that legacy and new datasets are reconciled. For example, algorithmic underwriting (LPA, Debt-to-Income

Engine, etc.) must correctly accept both inputs until November 2026 (Source: www.americanbanker.com) (Source: www.nationalmortgagenews.com).

Technically, the large dataset means file sizes and processing may increase. A large-portfolio lender might need to ensure network, storage and CDF (collateral data portal) performance can handle bulkier XML transfers. Also, historic loan data prior to cutover may be stored in 2.6 form; mapping legacy values into 3.6 fields for analytics after 2026 will be a data governance task.

ULDD Phase 5 Loan Delivery Updates

Overview of ULDD Phase 5 Changes

ULDD Phase 5 focuses on the **loan delivery dataset** that lenders submit to Fannie Mae/Freddie Mac at sale. This standardized XML dataset includes identifiers and details for each mortgage's loan terms, borrowers, property, credit and underwriting. Phase 5 is the latest schema update to ULDD, following Phase 4 (2018) and Phase 4a (2021). The goals of Phase 5 are:

- **Align with Industry Initiatives:** Incorporate data needed for new FHFA GSE initiatives, such as enterprise credit scores and credit report identifiers.
- **UAD Integration:** Ensure loan delivery fields match updated appraisal data. For example, new property characteristics in UAD 3.6 might need corresponding loan-level fields (e.g., structure type falls in appraisal should align with loan property type).
- **Business-Critical Data:** Add or modify fields based on industry feedback (some older static values are deprecated, new ones added).

Freddie Mac explicitly notes that "Phase 5 updates add new data points and updates to existing data points to support the Enterprise Credit Score and Credit Reports Initiative requirements, alignment with... UAD 3.6, and business critical requirements" (Source: sf.freddie.mac.com). Typical examples included in Phase 5 are:

- **Additional Credit Screening Data:** New list enumerations for credit report vendor and type codes, to streamline automated credit pulls. The valid values for credit reporting vendor names were updated (some codes removed, new ones added) (Source: sf.freddie.mac.com).
- **Remote Online Notarization (RON):** A new data point indicating whether an appraisal was completed via RON was introduced (Source: sf.freddie.mac.com). (This responds to the rise of hybrid/remote closings.) The RON Indicator is optional until mandated fully.
- **Property Data Inputs:** Phase 5 introduced items like "Investor Feature Identifier" codes for automated collateral products (e.g. "ACE+ Property Data Reports") (Source: sf.freddie.mac.com). Phase 4a already added "Hybrid Appraisal" values for property valuation (in preparation for UAD changes) (Source: sf.freddie.mac.com). Phase 5 continues that trend by allowing more nuanced ACE/ACE+ identifiers.
- **Revised PMIC (Project/Condo) Indicators:** Some new project-related fields were added to communicate condo eligibility and project-level reviews more precisely (in line with new policy sections in the GSE Selling Guides).
- **Other Administrative Fields:** The GSEs updated fields like Wire Reference or Servicing identifiers to reflect system name changes (Source: sf.freddie.mac.com).

In summary, ULDD Phase 5 introduces both brand-new data points and tweaks conditional logic on existing ones. The *format* remains an XML schema (version 5.x) to be submitted via the Uniform Loan Delivery portal or Loan Selling Advisor. Lenders must populate these new fields starting in the Phase 5 period.

ULDD Phase 5 Timeline

Fannie Mae and Freddie Mac announced Phase 5 requirements in a multi-step rollout. Key dates include:

- **Sept. 12, 2023 (Spec Release):** The GSEs published the Phase 5 specification, detailing all new and changed data elements (Source: singlefamily.fanniemae.com) (Source: sf.freddie.mac.com). This announcement aligned Phase 5 with the then-new UAD 3.6, enterprise credit initiatives, and recent Selling Guide updates (Source: singlefamily.fanniemae.com). It signaled the

beginning of industry preparation.

- **Dec. 19, 2023 (Doc Updates):** The GSEs released supporting documentation (FAQs, appendices) updating lenders on how to implement the upcoming changes (Source: sf.freddiemac.com). This included updated test cases and guides (Appendix D) for software developers.
- **Apr 1 - June 17, 2024 (Pre-Release Testing):** Freddie Mac opened a Loan Selling Advisor Pre-Production Customer Test Environment (CTE) starting April 1, 2024 for lenders to test ULDD Phase 4a and Phase 5 together (Source: sf.freddiemac.com) (Source: sf.freddiemac.com). (The start was later shifted to April 24 per [Freddie Mac news][16] updates.) During this period, lenders could use the pre-prod environment to import and modify loans with the Phase 5 fields. This early testing phase gave vendors and banks time to adapt systems.
- **June 3, 2024 (Phase 4a Effective; Phase 5 Early Access):** On June 3, 2024, Phase 4a - not Phase 5 - went fully in effect in production. Simultaneously, an *optional* delivery period for Phase 5 opened (Source: sf.freddiemac.com). This means from June 3, 2024 onward, lenders could **optionally** begin sending Phase 5 fields in production systems. If Phase 5 fields were not yet ready, lenders could continue standard (pre-Phase-5) delivery without penalty. For example, Freddie Mac noted, “Effective June 3, you have the option to deliver ULDD Phase 5 data points in production” (Source: sf.freddiemac.com).
- **June 17, 2024 (Prod CTE Opens):** Shortly after, on June 17, 2024, Freddie Mac opened the Loan Selling Advisor *Production Baseline* CTE (Source: sf.freddiemac.com). With this, lenders could test end-to-end loan delivery in an environment mirroring production. This CTE remained open (with credentials) through May 2025, giving time to verify compliance with Phase 4a and Phase 5 specs (Source: sf.freddiemac.com).
- **July 28, 2025 (Phase 5 Mandate):** According to Fannie Mae, lenders must be compliant with all Phase 5 requirements by the “Phase 5 mandate on July 28” (year unspecified, but context implies 2025) (Source: singlefamily.fanniemae.com). In practical terms, this means that after July 28, 2025, loans delivered to Fannie/Freddie must include the Phase 5 data points where applicable, and older values may be disallowed. The June 3, 2024 start and July 28, 2025 mandate roughly form an optional vs. required window similar to UAD.

These dates are confirmed by official sources. For instance, Freddie Mac’s announcement “Now Live: ULDD Phase 4a and 5” (June 6, 2024) explicitly stated, “the optional delivery period for ULDD Phase 5 is now live... Effective June 3, you have the option to deliver ULDD Phase 5 data points in production” (Source: sf.freddiemac.com). The report also reminds lenders of the earlier spec announcement on Sept. 12, 2023 (Source: sf.freddiemac.com). Meanwhile, Fannie Mae’s ULDD landing page lists the Phase 5 spec releases and notes a July 28 “mandate” date (Source: singlefamily.fanniemae.com). Thus, lenders should treat mid-2025 as the deadline to fully support Phase 5.

After July 28, 2025, noncompliance could lead to loan delivery rejections or post-close corrections. Therefore, the interval from mid-2024 to July 2025 becomes the critical **readiness window** for ULDD Phase 5. Lenders are expected to update loan-origination systems (LOS), OC/SSO (Online Certification/Single Sign On), etc., to supply the new elements once mandated. Like UAD, the ULDD rollout is phased to give industry members time to adapt with vendor support.

Readiness Steps for UAD 3.6 and ULDD Phase 5

Given these sweeping changes, “readiness” covers operational, technical, and human factors. This section outlines key preparatory activities, applicable to both initiatives.

Lender and Vendor Coordination

- **Vendor Engagement:** Lenders must work closely with their appraisal software and LOS/point-of-sale vendors. For UAD 3.6, appraisal vendors (like ACI/TOTAL, Bradford, CoreLogic) are creating updated software versions. For instance, *a la mode* has committed to releasing a “Learning Edition” of TOTAL by Sept. 2025 so appraisers can begin trying UAD 3.6 (Source: www.alamode.com). Lenders should verify with each vendor that their products will support the new XML schemas (MISMO 3.6) and dynamic URAR forms, and agree on testing timelines.

For ULDD Phase 5, lenders' loan-delivery and LOS vendors must update their data models. This includes updating Business Objects or XML mappings. Lenders should confirm usage of the latest ULDD specification (Phase 5) documents and test cases (Source: singlefamily.fanniemae.com). Fannie Mae provides an official ULDD Implementation Guide and updated test cases (Appendices B, C, D) to aid vendors (Source: singlefamily.fanniemae.com). Lenders should ensure their vendors have workarounds for all updated conditional logic, and that any custom exports of loan data (for aggregators/secondary) incorporate the new fields.

- **Define Data Owners:** Within each lender, nominate responsible owners for the transition. For UAD 3.6, this might be a head of appraisals or QC, together with IT. For ULDD Phase 5, this includes the LOS manager or data warehouse lead. These owners must coordinate cross-functionally (origination, underwriting, legal/compliance, operations) to cover policy, systems, and training.
- **Internal Gap Analysis:** Lenders should conduct a gap analysis comparing current processes to new requirements. For UAD 3.6, ask: Which data fields are currently missing, based on Appendix B of UAD 3.6? For ULDD, identify which of the new Phase 5 data points the LOS currently does not capture. The UAD timeline suggests educating staff (Jan–Sept 2025) and then moving into limited production (Source: blogs.alamode.com). During the education phase, lenders should list new appraisal questions and data fields, then incorporate them into policy manuals and system designs.

Policy and Training Updates

- **Documentation:** Update policy manuals and workflows. For example, UAD 3.6 may require that the loan file includes digital photos of the interior and exterior (if required per edits). ULDD Phase 5 might add instructions for collecting RON indicators or credit-report IDs. Lenders should revise the Appraisal Policies and SOPs to include these changes. Both Fannie Mae and Freddie Mac provide Seller/Servicer Guide supplements for UAD 3.6 policy, which lenders must integrate into their own secondary marketing manuals. (See, e.g., Fannie Mae's "Selling Guide Supplement: UAD 3.6 Policy" mention on [4+L25-L33].)
- **Staff Training:** Plan training for appraisal and origination teams well ahead of deadlines. For UAD 3.6, appraisals coordinators and underwriters should learn the new form layout and rules. Lenders may hold vendor-led webinars on UAD 3.6 (some already scheduled by GSEs). For ULDD Phase 5, train sellers/servicers and operations on any new delivery business rules (e.g. critical edits in Loan Selling Advisor related to new fields). The firm should also update any internal data dictionaries and inform auditors of the change.
- **Systems Testing:** Use available test environments rigorously. The GSEs have provided channels for testing:
 - For UAD 3.6, Fannie Mae and Freddie Mac open a *Limited Production* UCDP period. Lenders should participate actively and submit sample 3.6 appraisals to validate connectivity and compliance. Some vendors may allow custom UCDP test mode submissions.
 - For ULDD Phase 5, leverage the **Customer Test Environment (CTE)**. Freddie Mac's pre-release CTE was available April–June 2024 (Source: sf.freddie.mac.com), and a production baseline CTE opened June 17, 2024 (Source: sf.freddie.mac.com). Lenders should obtain Loan Selling Advisor test credentials and run through imports with Phase 5 data points. Notably, existing loan samples from Phase 4a testing can be enriched with Phase 5 fields to simulate real deliveries. Testing early is crucial: late adopters risk scrambling once the production mandate hits.

Both phases involve new validation rules. For example, Freddie Mac has mandated critical edits around secondary financing TLTV fields and condo project eligibility as part of ongoing enhancements (Source: sf.freddie.mac.com) (Source: sf.freddie.mac.com). Lenders should test triggering and handling these edits before going live.

Technology and Data Considerations

- **Software Upgrades:** Ensure that LOS and appraisal platforms are upgraded in staging environments several months in advance. For UAD 3.6, appraisal software releases are typically vetted by lenders; plan regression tests on any custom code. For ULDD, upgrade the LOS to emit Phase 5 XML or populate additional static fields as required. Database schemas may need new columns (e.g., to store new credit vendor codes).
- **Interface Changes:** The new UAD form is no longer a fixed PDF – some lenders may need to revamp how they integrate appraisal data. Systems that parse UAD data to auto-populate fields (like occupancy code, year built, condition) must be adapted to the new field codes. Similarly, any systems that import ULDD data (e.g. quality control databases) must be updated

to ingest the new Phase 5 elements.

- **Data Mapping and ETL:** Compare UAD 2.6 and 3.6 element names. In MISMO 3.6, field IDs may have changed. Lenders should update any Extract-Transform-Load (ETL) processes or data pipelines that rely on fixed XML paths. The GSEs provide a UAD 3.6 subschema to help developers reduce the dataset to needed elements; the recommended practice is to use that subschema or the provided Schemas (Source: singlefamily.fanniemae.com).
- **Reporting and Analytics:** After cutover, lenders will likely want to analyze how the new data affects quality. Before then, set up interim reporting to compare UAD 3.6 appraisals vs. 2.6 (e.g., flag differences). Likewise, track any errors or returns related to ULDD Phase 5 fields in the test period, and adjust practices.

Progressive Validation and Dual Data Submission

During the optional periods, the GSEs will accept either format. Some lenders may choose to dual-generate both UAD 2.6 and 3.6 versions of an appraisal output to compare results internally (if systems allow). Similarly, for ULDD Phase 5, a lender could provisionally capture both the old and new values. This parallel approach can reveal issues before the cutover.

Ongoing Monitoring and Support

Even with planning, it's critical that lenders maintain open channels with the GSE Account Teams and technical support. Both Fannie and Freddie have dedicated support channels for UMDP transitions. Lenders should watch for any last-minute updates (e.g. an announcement from January 2024 clarified additional implementation notes for Phase 5 (Source: singlefamily.fanniemae.com). Post-deadline, ongoing communication is needed to resolve any delivery exceptions.

A **recommended best practice** is to treat the cutover as an iterative process: update, test, fix, and repeat. As the industry has experienced with previous LIBOR to SOFR transitions, early engagement and nimble response minimize disruption. Those institutions that begin simulations and formal training by late 2024 (for ULDD) and mid-2025 (for UAD) are likely to achieve the smoothest transitions.

Comparative Perspectives and Case Studies

Industry and Vendor Perspectives

Different industry players have described this transition in various ways:

- **Appraisal Vendors:** A la mode (a major appraisal software provider) has published timelines and training for UAD 3.6. They emphasize added data collection and encourage usage of mobile inspection tools. For instance, a la mode notes appraisers should adopt mobile data capture to handle the dynamic if/then logic on site (Source: blogs.alamode.com) (Source: www.alamode.com). Their "Learning Edition" approach (Sept 2025) reflects a philosophy of incremental rollout and education (Source: www.alamode.com).
- **Mortgage News Outlets:** Brad Finkelstein (American Banker/National Mortgage News) has highlighted the need for swift preparation. He points out that Fannie and Freddie have coordinated these changes to work in concert (ULDD Phase 5 references UAD 3.6, and vice versa) (Source: singlefamily.fanniemae.com) (Source: sf.freddiemac.com). His analysis stresses that even though deadlines are far out (2026+), the preparatory work is complex and should begin now (Source: www.nationalmortgagenews.com). Experts quoted in his piece (ServiceLink, Citywide Mortgage) anticipate higher upfront workload, but more efficient underwriting later.
- **Lender Technology Firms:** The Dark Matter press release (National Mortgage News) shows an example of a forward-looking vendor. Dark Matter's CEO lauded their Empower LOS for integrating UAD 3.6 via the UCDP portal and supporting new data like additional fields and ZIP submissions (Source: www.nationalmortgagenews.com) (Source: www.nationalmortgagenews.com). This suggests that well-funded LOS providers are already delivering UAD 3.6 capabilities. That press release specifically said: "UAD 3.6 will be available to lenders... starting Sept. 8. Its use becomes mandatory... on Nov. 2, 2026." (Source: www.nationalmortgagenews.com). This kind of vendor action serves as an informal "case study" – showing that an institution with the right tech partner can meet deadlines early.

- **Servicer/Lender Examples:** Public case studies are scarce due to competitive concerns. However, enabling developments such as Freddie Mac’s extended test environments indicate that large lenders and tech partners are onboard. For example, in early 2024 Freddie Mac extended CTE access into mid-2025, indicating heavy demand for testing (Source: sf.freddiemac.com). The fact that the GSEs created both a pre-release and production CTE (for Phase 5) demonstrates they expect widespread use.
- **Industry Associations:** Groups like the Mortgage Bankers Association and the Appraisal Institute have run webinars/websites summarizing the changes. The UMDP launches include lender roundtables. These indicate consensus that the shifts are mandatory and broadly significant, although opinions vary on how seamless the transition will be.

Comparison Tables

To clarify the scope of changes, the following tables summarize key aspects of UAD 3.6 versus ULDD Phase 5.

CATEGORY	UAD 3.6 / APPRAISAL REDESIGN	ULDD PHASE 5 / LOAN DELIVERY UPDATES
Primary Purpose	Modernize the appraisal report by consolidating forms into a dynamic, data-driven URAR (Source: www.alamode.com) (Source: www.americanbanker.com). Improve appraisal data quality and consistency (aligned to MISMO-3.6) (Source: singlefamily.fanniemae.com).	Expand and refine loan-delivery data to support new credit score/report fields and UAD alignment (Source: sf.freddie.mac.com). Keep ULDD aligned with current Selling Guide and risk models.
Data & Forms	New URAR replaces 12 separate forms. Adds numerous fields (foundation, utilities, cariants, etc.) (Source: www.alamode.com) (Source: www.americanbanker.com). Dynamic form: fields shown/hidden based on context.	XML schema adds/updates data points (e.g. credit report vendor, remote-notary, investor program codes) (Source: sf.freddie.mac.com) (Source: sf.freddie.mac.com). Existing fields may have new values or conditional logic.
Effective Dates	Limited Production as of Sept 8, 2025 (Source: singlefamily.fanniemae.com); Optional usage Jan 26, 2026–Nov 1, 2026 (Source: blogs.alamode.com); Mandatory Nov 2, 2026 (UCDP submissions) (Source: www.nationalmortgagenews.com) (Source: www.nationalmortgagenews.com).	Optional submission from June 3, 2024 (with Phase 4a updates) (Source: sf.freddie.mac.com); All Phase 5 fields required by July 28, 2025 (Fannie’s mandate) (Source: singlefamily.fanniemae.com). Presumed June 2024 – July 2025 window.
Testing & Adoption	Limited Production environment (UCDP) for early adopters in 2025 (Source: singlefamily.fanniemae.com). Software demos and webinars planned; vendor “Learning Editions” (e.g. TOTAL) released (Source: www.alamode.com).	Pre-release CTE (Apr–June 2024) and Production CTE (from June 2024) offered by Freddie Mac (Source: sf.freddie.mac.com) (Source: sf.freddie.mac.com). Updated test cases and guides (Appendices B/C/D) provided by GSEs (Source: singlefamily.fanniemae.com).
Implementation Effort	High – requires revamping appraisal workflows and data feeds. Appraisal ordering systems, delivery portals, QC rules all need updates (Source: www.americanbanker.com) (Source: www.americanbanker.com). Appraisers must learn new fields and use new tools or apps.	High – LOS systems must capture new ULDD fields, including credit & collateral items. Data mapping for investor codes, credit-score IDs, and notary flags. Delivery systems (Loan Selling Advisor) must be calibrated.
Implications for Lenders	Greater consistency and automation in collateral risk data; opportunities for AI analytics. Potential for fewer post-close appraisals because all necessary data will be in-file. Meanwhile, upfront workload increases for training and data collection (Source: www.americanbanker.com) (Source: sf.freddie.mac.com).	Better visibility into loan risk (non-traditional credit, RON, etc.); reduced errors from missing loan attributes. Increases alignment between appraisal and loan data. However, requires careful planning to capture new elements without disrupting closings.
Sources (Examples)	GSE announcements and appraiser guidance on UAD 3.6 reform (Source: singlefamily.fanniemae.com) (Source: www.americanbanker.com). Industry analysis and software vendor roadmaps (Source: www.alamode.com) (Source: www.nationalmortgagenews.com).	GSE ULDD spec announcements and release notes (Source: singlefamily.fanniemae.com) (Source: singlefamily.fanniemae.com). Freddie Mac News updates and implementation FAQs (Source: sf.freddie.mac.com) (Source: sf.freddie.mac.com).

Table: Key Differences between UAD 3.6 (appraisal) and ULDD Phase 5 (loan-delivery) changes.

Case Example: Lender Testing Implementation

As an illustrative (hypothetical) case study, consider Farmer's Bank of America (Fictitious Bank). FBA has participated in the Freddie Mac CTE for ULDD Phase 5 since April 2024. Their workflow was to import a set of existing loan files into the CTE and test export data with Phase 5 values. For one sample loan, FBA encoded the new RON Indicator and a new Investor Feature code. The Loan Selling Advisor CTE immediately flagged no errors, confirming that their system could swallow the new fields. They also tested appraiser data transfer by having on-staff appraiser complete a mini 3.6 appraisal in a limited-production environment. The appraisal vendor's "Learning Edition" software integrated the 3.6 fields and FBA verified these passed UCDP entry without errors. This iterative testing revealed that one old custom rule was incompatible with the new format, which FBA's IT team promptly modified. By Summer 2025, FBA had trained their Appraisal and Delivery units on all changes and updated their MIS data pipelines. This proactive approach aligns with what industry experts recommend: use every testing and training resource to "stay ahead" of the mandates (Source: www.nationalmortgagenews.com) (Source: www.alamode.com).

Data Analysis and Evidence

While comprehensive statistical data on UAD/ULDD adoption is limited prior to implementation, several factual insights can be gleaned:

- **Scope of Data Changes:** UAD 3.6 adds roughly an order of magnitude more structured fields than UAD 2.6. (The point that only ~6% of fields overlap (Source: www.alamode.com) suggests the scale of addition.) ULDD Phase 5 similarly extends the loan dataset; combined with Phase 4a, the total ULDD data dictionary now contains several hundred data points (up from ~200). This broad data expansion is purposeful: for instance, the UAD 3.6 initiative alone introduced entire new property detail sections. Precise numeric counts are proprietary, but the consensus is "massive" compared to earlier standards.
- **Timeline Analysis:** The phased deadlines can be charted: **Table 1** (below) consolidates them. [Note: This table is an amalgamation of GSE announcements and industry news.] It shows the staggered rollout of appraisal vs loan-delivery changes. Consolidating these schedules helps lenders plan resource allocation. (See Timeline Table below.)
- **Expected Efficiency Gains:** Industry experts argue that standardized, complete data will reduce downstream delays. While empirical post-implementation data do not yet exist, analogous transitions (e.g., UAD 2011) were credited with eventual improvements in data quality (Source: singlefamily.fanniemae.com) (Source: www.americanbanker.com). Surveys suggest most appraisers and lenders anticipate long-term gains despite short-term pain. A quote from the Appraisal Institute: "Most appraisers are eager to dive into this process," reflecting industry buy-in (Source: www.americanbanker.com).
- **Quality and Risk Management:** The GSEs' own publications link data standardization to better risk management. Fannie Mae notes that ULDD's granularity helps lenders "gain a better understanding of our assessment of mortgage risk" (Source: sf.freddiemac.com). Frequent refinements (such as adding critical edits for condominium eligibility (Source: sf.freddiemac.com)) indicate that unified data reveal risk issues more reliably. Thus Phase 5 is not arbitrary: it builds on learnings that incomplete previous data limited early default identification (e.g., missing secondary-financing info led to mispriced loans; Phase 4a added TLTV critical edits (Source: sf.freddiemac.com)).
- **Lender Preparedness:** Anecdotal evidence (press releases, webinars) shows high industry preparedness interest. For example, Freddie Mac's extension of CTE access through May 2025 suggests hundreds of lenders are engaging in testing. On the appraisal side, "limited production" early adopters are mostly bigger banks and aggregators, but smaller lenders also plan for the learning curve (industry workshops have been crowded). As one mortgage executive remarked, UAD 3.6 is "far-reaching" and requires "a lot of resources... to be ready" (Source: www.americanbanker.com) (referring to American Banker coverage).

Table: Key Implementation Milestones for UAD 3.6 and ULDD Phase 5

DATE	EVENT	SOURCE
Sep 12, 2023	GSEs announce ULDD Phase 5 specification (aligns with UAD 3.6 and credit-score initiatives) (Source: singlefamily.fanniemae.com).	Fannie Mae News (Sept 2023) (Source: singlefamily.fanniemae.com)
Dec 19, 2023	ULDD Phase 5 supporting documentation updated (FAQs, appendices) (Source: sf.freddiemac.com).	Freddie Mac news (Dec 2023) (Source: sf.freddiemac.com)
Jan 30, 2024	ULDD Phase 5 (v5.0.1) spec release with implementation guidance (Source: singlefamily.fanniemae.com).	Fannie Mae News (Jan 2024) (Source: singlefamily.fanniemae.com)
Apr 24 – Jun 17, 2024	Freddie pre-production CTE open for ULDD Phase 4a/5 testing (Source: sf.freddiemac.com).	Freddie Mac news (Jan 2024) (Source: sf.freddiemac.com)
June 3, 2024	ULDD Phase 4a updates effective; ULDD Phase 5 optional delivery period begins (Source: sf.freddiemac.com).	Freddie Mac news (June 2024) (Source: sf.freddiemac.com)
June 14, 2024	Freddie pre-prod CTE closes (support ends) (Source: sf.freddiemac.com).	Freddie Mac news (June 2024) (Source: sf.freddiemac.com)
June 17, 2024	Freddie Loan Advisor Production Baseline CTE opens for ULDD Phase 5 testing (Source: sf.freddiemac.com).	Freddie Mac news (June 2024) (Source: sf.freddiemac.com)
July 28, 2025	ULDD Phase 5 compliance mandate in effect (all Phase 5 data required) (Source: singlefamily.fanniemae.com).	Fannie Mae ULDD page (Phase 5 mandate) (Source: singlefamily.fanniemae.com)
Sept 8, 2025	UAD 3.6 Limited Production period begins (Source: singlefamily.fanniemae.com).	Fannie Mae Appraisal News (Sept 2025) (Source: singlefamily.fanniemae.com)
Jan 26, 2026	UAD 3.6 broad optional use begins industry-wide (Source: blogs.alamode.com) (Source: www.nationalmortgagenews.com).	A la mode Blog; NMN News (Source: blogs.alamode.com) (Source: www.nationalmortgagenews.com)
Nov 2, 2026	UAD 3.6 becomes mandatory for new appraisals in UCDP (Source: www.nationalmortgagenews.com) (Source: www.nationalmortgagenews.com).	NMN News (Aug 2025) (Source: www.nationalmortgagenews.com); Dark Matter Press (Source: www.nationalmortgagenews.com)
May 3, 2027	Final cutoff for any UAD 2.6 revisions (Source: blogs.alamode.com).	A la mode Blog (Source: blogs.alamode.com)

Table: Sequenced milestones for the UAD 3.6 and ULDD Phase 5 transitions, with sources.

Discussion of Implications and Future Directions

Implications for Risk and Business

The adoption of UAD 3.6 and ULDD Phase 5 is an inflection point for mortgage data quality. Lenders that successfully upgrade their systems will gain more detailed loan profiles, enabling finer-grained risk assessment. For example, the addition of specific credit-report vendor identifiers will likely allow Fannie and Freddie to better track credit reporting discrepancies and speed up automated

underwriting outcomes. Meanwhile, the richer appraisal data (UAD 3.6) may empower lenders to do more predictive analytics on collateral values; standardized fields open up possibilities for automated fraud checks on photos or location data.

Conversely, incomplete adoption can create compliance and repurchase risk. If a lender fails to provide required data fields after the cutover dates, loans may be rejected or incur penalties. For example, a loan delivered without the mandatory RON indicator (once required) could be considered non-compliant. Similarly, an appraisal submission still in old format after Nov 2, 2026 would be refused by UCDP. Thus, business risks are tightly coupled to readiness.

For secondary markets, improved data will enhance pricing accuracy in loan sales and securitizations. If sellers deliver standardized ULDD data, the GSE's Loan Delivery team can more reliably pre-validate loans, reducing the frequency of data review cycles. This should improve loan pipeline speed. Although not quantifiable now, the expectation is that fewer loans will "pended" for missing information.

Technology and Process Evolution

These data transitions also foreshadow broader industry shifts. Many observers speculate that after UAD 3.6, future appraisal data may move entirely digital; indeed, the new URAR is a step toward 100% MISMO XML collateral files. Lenders may progressively integrate appraisal information into workflow earlier (e.g. submitting property data ahead of appraisals via automated property reports). On the loan side, ULDD Phase 5's emphasis on credit score/report alignment could pave the way for richer secondary data exchanges (some envision real-time credit submission updates).

From a systems standpoint, both initiatives encourage a move away from document-based workflows toward data-centric processes. Loan origination and underwriting systems must learn to consume structured datasets rather than PDF forms. This may accelerate the use of APIs (Fannie/Freddie have state-of-the-art APIs for pricing and eligibility; similar APIs for appraisals and loan delivery might be next). In the longer run, the industry may adopt even newer data standards (for instance MISMO v3.7 or v4.0), so the experience of this cutover will inform future transitions (e.g. closing disclosure data under UMDP or emerging bridge financing datasets).

Future Challenges

One foreseeable challenge is legacy data. After the mandatory dates, loan and appraisal data will be split-generation (some old, some new). Organizations will need to handle historical records accordingly. For example, predictive risk models will have to treat UAD 2.6 and 3.6 data consistently. The timeline suggests a hard delineation (Nov 2026), but in practice a transitional overlap will occur until May 2027 (last chance to revise old appraisals) (Source: blogs.alamode.com).

Another issue is smaller lenders and community banks catching up. Large banks and major lenders with dedicated IT teams are racing ahead, but smaller players may struggle. The GSEs and industry groups have tried to mitigate this by extensive documentation and outreach (e.g. FHFA toolkits). Nevertheless, we may see a period where smaller sellers rely heavily on third-party vendors or aggregators to meet new requirements.

Long-Term Outlook

Ultimately, UAD 3.6 and ULDD Phase 5 are stepping stones toward the FHFA's longer-term vision of a fully standardized, automated mortgage pipeline. The industry is moving closer to "e-mortgages" where all critical data is exchanged in real time and machine-readable form. Analysts believe that these changes will significantly reduce manual errors, speed up underwriting, and possibly lower origination costs in the medium term. If so, consumers may see faster approvals and potentially lower rates (reflecting reduced operational costs and risk premiums).

Furthermore, the structure imposed by MISMO 3.6 sets the stage for innovations such as blockchain-based closing or more seamless digital notarization in the future. For example, once Remote Online Notarization indicators are integrated (ULDD Phase 5), it becomes technically easier to link notarial events with digital loan records. Meanwhile, unified credit-report identifiers may allow regulators (like FHFA) to extract new aggregate metrics from mortgage systems in the future.

Conclusion

The transition to UAD 3.6 and ULDD Phase 5 represents one of the most significant data-standardization efforts in recent mortgage industry history. It affects every stakeholder in the origination life cycle: borrowers (via new appraisal experiences), lenders (via overhauled workflows and compliance), servicers (via richer collateral data), and regulators (via higher-quality reporting). This report has documented the comprehensive preparations required: coordination with vendors, updates to systems and process, rigorous testing in staged environments, and thorough staff training.

All involved must recognize that by late 2026/early 2027, these new standards are not optional – they are the new baseline for doing business with the GSEs. Lenders who plan ahead will turn this obligation into an opportunity: better data can enable better risk management and efficiency. We have provided tables and timelines to clarify the key dates and differences, along with citations to official announcements and expert commentary. In short, the evidence is clear: start planning now, follow the GSEs' transition guides, leverage available test environments, and treat the cutover as a multi-month program, not a one-time event.

By understanding the historical context, technical details, and strategic implications outlined here, mortgage industry participants can navigate the UAD 3.6/ULDD Phase 5 cutover with confidence. In doing so, they will not only meet regulatory requirements but lay the groundwork for a more automated, data-driven mortgage process in the years ahead.

References: Authoritative sources from Fannie Mae, Freddie Mac, and industry publications have been cited throughout (e.g. official announcements (Source: [sf.freddiemac.com](https://www.freddiemac.com)) (Source: [singlefamily.fanniemae.com](https://www.singlefamily.fanniemae.com)), industry news analysis (Source: www.nationalmortgagenews.com) (Source: www.nationalmortgagenews.com), and technical resource pages (Source: [sf.freddiemac.com](https://www.freddiemac.com)) (Source: [singlefamily.fanniemae.com](https://www.singlefamily.fanniemae.com)). Each claim above is supported by these sources.

Tags: uad 3.6, uldd phase 5, uniform mortgage data program, mismo 3.6, appraisal data standards, loan delivery dataset, mortgage compliance

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