

UCD Phase 4 Critical Edits Job Aid: Loan Price Quote Interest Rate Percent

Background

Freddie Mac and Fannie Mae (the GSEs) have clarified that the expected value for the data point `LoanPriceQuoteInterestRatePercent` is the interest rate offered to the borrower prior to their electing to purchase discount points. The interest rate the borrower qualified for does not have to start with zero points.

The Uniform Closing Dataset (UCD) Phase 1 critical edit requires `LoanPriceQuoteInterestRatePercent` be provided when the `RegulationZExcludedBonaFideDiscountPointsIndicator` is "true". With UCD Phase 4, the requirement has been updated to require the `LoanPriceQuoteInterestRatePercent` whenever the loan discount points were part of the transaction with a `FeeTotalPercent` greater than zero (regardless of the value of the `RegulationZExcludedBonaFideDiscountPointsIndicator`).

An additional Phase 4 requirement is when the `RegulationZExcludedBonaFideDiscountPointsIndicator` is "true" the value provided for `LoanPriceQuoteInterestRatePercent` must be greater than the value for `NoteRatePercent`.

UCD Data Requirements

UCD Phase 4 edits will enforce the completeness and reasonableness of the value provided for `LoanPriceQuoteInterestRatePercent` according to the UCD v2.0. When a fee type of "LoanDiscountPoints" is provided with a `FeeTotalPercent` not equal to 0:

- `LoanPriceQuoteInterestRatePercent` must be provided.
- The value for `LoanPriceQuoteInterestRatePercent` must be greater than the `NoteRatePercent` when `RegulationZExcludedBonaFideDiscountPointsIndicator` is "true".

UCD v1.5 XML example of correctly delivered `LoanPriceQuoteInterestRatePercent`:

```
<FEE>
  <FEE_DETAIL>
    <FeePaidToType>Lender</FeePaidToType>
    <FeeTotalPercent>0.375</FeeTotalPercent>
    <FeeType>LoanDiscountPoints</FeeType>
    <IntegratedDisclosureSectionType>OriginationCharges</IntegratedDisclosureSectionType>
    <RegulationZPointsAndFeesIndicator>true</RegulationZPointsAndFeesIndicator>
  </FEE_DETAIL>
  <FEE_PAYMENTS>
    <FEE_PAYMENT>
      <FeeActualPaymentAmount>1050.00</FeeActualPaymentAmount>
      <FeePaymentPaidByType>Buyer</FeePaymentPaidByType>
      <FeePaymentPaidOutsideOfClosingIndicator>false</FeePaymentPaidOutsideOfClosingIndicator>
    </FEE_PAYMENT>
  </FEE_PAYMENTS>
</FEE>

<HIGH_COST_MORTGAGES>
  <HIGH_COST_MORTGAGE>
    <AveragePrimeOfferRatePercent>7.07</AveragePrimeOfferRatePercent>
  </HIGH_COST_MORTGAGE>
</HIGH_COST_MORTGAGES>
```

```
<RegulationZExcludedBonaFideDiscountPointsIndicator>true</RegulationZExcludedBonaFideDiscountPointsIndicator>
<RegulationZExcludedBonaFideDiscountPointsPercent>0.375</RegulationZExcludedBonaFideDiscountPointsPercent>
<RegulationZTotalAffiliateFeesAmount>0.00</RegulationZTotalAffiliateFeesAmount>
<RegulationZTotalLoanAmount>232207.18</RegulationZTotalLoanAmount>
<RegulationZTotalPointsAndFeesAmount>2433.84</RegulationZTotalPointsAndFeesAmount>
</HIGH_COST_MORTGAGE>
</HIGH_COST_MORTGAGES>
```

```
<LOAN_PRODUCT>
  <LOAN_PRICE_QUOTES>
    <LOAN_PRICE_QUOTE>
      <LOAN_PRICE_QUOTE_DETAIL>
        <LoanPriceQuoteInterestRatePercent>7.375</LoanPriceQuoteInterestRatePercent>
      </LOAN_PRICE_QUOTE_DETAIL>
    </LOAN_PRICE_QUOTE>
  </LOAN_PRICE_QUOTES>
</LOAN_PRODUCT>
```

```
<TERMS_OF_LOAN>
  <LienPriorityType>FirstLien</LienPriorityType>
  <LoanPurposeType>Purchase</LoanPurposeType>
  <MortgageType>Conventional</MortgageType>
  <NoteAmount>250000.00</NoteAmount>
  <NoteRatePercent>7.250</NoteRatePercent>
</TERMS_OF_LOAN>
```

UCD v2.0 XML example of correctly delivered LoanPriceQuoteInterestRatePercent:

```
<FEE>
  <FEE_DETAIL>
    <FeePaidToType>Lender</FeePaidToType>
    <FeeTotalPercent>0.375</FeeTotalPercent>
    <IntegratedDisclosureSectionType>OriginationCharges</IntegratedDisclosureSectionType>
    <RegulationZPointsAndFeesIndicator>true</RegulationZPointsAndFeesIndicator>
    <EXTENSION>
      <OTHER>
        <ucd:FEE_DETAIL_EXTENSION>
          <ucd:FeeItemType>LoanDiscountPoints</ucd:FeeItemType>
        </ucd:FEE_DETAIL_EXTENSION>
      </OTHER>
    </EXTENSION>
  </FEE_DETAIL>
<FEE_PAYMENTS>
  <FEE_PAYMENT>
    <FeeActualPaymentAmount>1050.00</FeeActualPaymentAmount>
    <FeePaymentPaidByType>Buyer</FeePaymentPaidByType>
    <FeePaymentPaidOutsideOfClosingIndicator>false</FeePaymentPaidOutsideOfClosingIndicator>
  </FEE_PAYMENT>
</FEE_PAYMENTS>
</FEE>
```

```
<HIGH_COST_MORTGAGES>
  <HIGH_COST_MORTGAGE>
    <AveragePrimeOfferRatePercent>7.07</AveragePrimeOfferRatePercent>
    <RegulationZExcludedBonaFideDiscountPointsIndicator>true</RegulationZExcludedBonaFideDiscountPointsIndicator>
    <RegulationZExcludedBonaFideDiscountPointsPercent>0.375</RegulationZExcludedBonaFideDiscountPointsPercent>
```

```

<RegulationZTotalAffiliateFeesAmount>0.00</RegulationZTotalAffiliateFeesAmount>
<RegulationZTotalLoanAmount>232207.18</RegulationZTotalLoanAmount>
<RegulationZTotalPointsAndFeesAmount>2433.84</RegulationZTotalPointsAndFeesAmount>
</HIGH_COST_MORTGAGE>
</HIGH_COST_MORTGAGES>

```

```

<LOAN_PRODUCT>
  <LOAN_PRICE_QUOTES>
    <LOAN_PRICE_QUOTE>
      <LOAN_PRICE_QUOTE_DETAIL>
        <LoanPriceQuoteInterestRatePercent>7.375</LoanPriceQuoteInterestRatePercent>
      </LOAN_PRICE_QUOTE_DETAIL>
    </LOAN_PRICE_QUOTE>
  </LOAN_PRICE_QUOTES>
</LOAN_PRODUCT>

```

```

<TERMS_OF_LOAN>
  <LienPriorityType>FirstLien</LienPriorityType>
  <LoanPurposeType>Purchase</LoanPurposeType>
  <MortgageType>Conventional</MortgageType>
  <NoteAmount>250000.00</NoteAmount>
  <NoteRatePercent>7.250</NoteRatePercent>
</TERMS_OF_LOAN>

```

Feedback Messages

Users will receive the following edit messages if LoanPriceQuoteInterestRatePercent is not provided in the XML file as described above.

Fannie Mae Edit Number	Feedback Message	Freddie Mac Message Code	Feedback Message
3674 (UCD v1.5)	When the Loan Discount Points Fee Total Percent is not equal to 0, Loan Price Quote Interest Rate Percent must be provided and must be greater than the Note Rate Percent. The Loan Price Quote Interest Rate Percent should be the interest rate without any discount points applied.	DQC3005 CRIT0216	LoanPriceQuoteInterestRatePercent is missing from the UCD XML file. This data point must be present.
4674 (UCD v2.0)		DQC3006 CRIT0218	LoanPriceQuoteInterestRatePercent is less than or equal to '0' in the UCD XML file. This data point value must be greater than '0'.
4675	When the Regulation Z Excluded Bona Fide Discount Points Indicator is 'true' the Loan Price Quote Interest Rate Percent must be greater than the Note Rate Percent.	DQC3007 CRIT0221 (UCD v1.5) DQC3008 CRIT0219 (UCD v2.0)	LoanPriceQuoteInterestRatePercent value is less than or equal to NoteRatePercent value. When ucd:FeeItem Type = 'LoanDiscountPoints' with a FeeTotalPercent not equal to '0', this data point must be greater than NoteRatePercent.

Resources

Resource	Fannie Mae Link	Freddie Mac Link
UCD v2.0 Critical Edits Matrix	https://singlefamily.fanniemae.com/media/document/xlsx/ucd-v20-critical-edits-matrix	https://sf.freddiemac.com/docs/xlsx/UCD-Critical-Matrix-Edits-v2.xlsx
UCD v1.5 Critical Edits Matrix	https://singlefamily.fanniemae.com/media/document/xlsx/uniform-closing-dataset-critical-edits-matrix	https://sf.freddiemac.com/docs/xlsx/ucd_critical-edits-matrix.xlsx
UCD Feedback Messages	https://singlefamily.fanniemae.com/media/document/xlsx/ucd-feedback-messages	Coming Soon
UCD v2.0 Specification	https://singlefamily.fanniemae.com/media/document/xlsx/ucd-v20-specification	https://sf.freddiemac.com/docs/xlsx/ucd-v2.0-rev_1-specification.xlsx
UCD v2.0 Implementation Guide	https://singlefamily.fanniemae.com/media/document/pdf/ucd-v20-implementation-guide	https://sf.freddiemac.com/docs/pdf/ucd-v2.0-implementation-guide-v1.0.pdf

Additional Information

For more information on UCD, visit the [Freddie Mac UCD webpage](#) or the [Fannie Mae UCD webpage](#). If you have questions or need further assistance, please contact your GSE account representative or submit your questions to our UCD mailboxes: UCD@FannieMae.com or UCD@FreddieMac.com. For production support, call 1-800-2FANNIE or Customer Service (800-FREDDIE).