

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) v1.5 Phase 1 critical edit required `LoanPriceQuoteInterestRatePercent` to be provided when the `RegulationZExcludedBonaFideDiscountPointsIndicator` is "true".

With UCD Phase 4 (for both UCD v1.5 and v2.0), the requirement has been updated.

UCD Phase 4 Data Requirements

With the implementation of UCD v2.0 and the UCD Phase 4 critical edits, the requirements for providing `LoanPriceQuoteInterestRatePercent` have changed. 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>
    <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 Message Code | Fannie Mae Feedback Message | Freddie Mac Message Code | Freddie Mac 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 (UCD v1.5 and v2.0) | LoanPriceQuoteInterestRatePercent is missing from the UCD XML file. This data point must be present. |
| 4674 (UCD v2.0) | | DQC3006 CRIT0218 (UCD v1.5) | 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) | LoanPriceQuoteInterestRatePercent value is less than or equal to NoteRatePercent value. When FeeType = 'LoanDiscountPoints' with a FeeTotalPercent not equal to '0', this data point must be greater than NoteRatePercent. |
| | | 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. |

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).