# Test Case DI-C06: Two-Closing Construction-to-Permanent Limited Cash-Out Refi Loan for Two Borrowers

The purpose of this test case is to show lenders how to collect information on the redesigned URLA forms and create an XML submission file to DU for a two-closing construction-to-permanent loan, structured as a limited cash-out refinance, for two borrowers.

# Narrative for Data Integrity Suite Test Case DI-C06:

In this use case, two URLA-Borrower forms are used, along with the URLA-Lender form, and an Unmarried Addendum.

## Key Loan Characteristics

* Conventional
* Fixed – 30 Year
* 1 Unit - Detached
* Two-Closing Construction-to-Permanent
* Refinance – Limited Cash-Out
* Primary Residence
* Ken N Customer JR, Homer Loanseeker
* Non-Occupant Borrower

## Section 1: Borrower Information

Ken N Customer JR and Homer Loanseeker are applying for a two-closing construction-to-permanent loan to pay off the construction loan for Ken’s new home in Ohio. Ken now lives and rents an apartment in Burbank, CA, but he has been promoted to Senior Consultant by his employer, National Consulting, and reassigned to the Wooster, OH office. Homer lives in Higley, AZ, where he also rents. Homer will continue to live and work in Higley, after Ken moves into the subject property.

## Section 2: Financial Information – Assets and Liabilities

Ken N Customer, Jr’s and Homer Loanseeker’s asset and liability information are found on the included Form 1003.

## Section 3: Financial Information – Real Estate

The only property owned by either borrower is Ken’s lot at 1234 Country Rd which is the site of the construction of the new home.

## Section 4: Loan and Property Information

Construction is nearly finished on the single family, detached house at 1234 Country Rd, Wooster, OH 44691-1234. The property is not located in a project or a Planned Unit Development, and the loan will not be used for making any energy improvements. The estimated appraisal value after completion of construction is $250,000. Title to the property, in fee simple, will be held by Ken as sole owner.

## Section 5 Declarations, Section 6 Acknowledgments, Section 7 Military Service, and Section 8 Demographics

## Ken and Homer answered all the declarations and signed the loan application. Neither had any military service to report, and they provided their ethnicity, sex, and race information on the Form 1003.

## Section 9: Loan Originator Information

## The loan originator provided their contact and license information and signed the loan application.

## Lender Loan Information

John Done at ABC Mortgage of Ohio offered the borrowers a Two-Closing Construction-to-Permanent Loan (30-year, Conventional, Fixed Rate) in the amount of $152,000, at an interest rate of 4.500%.

The estimated closing costs are a total of $6,850 which includes prepaid items of $1,350. Borrower Paid Outside Closing items of $368 are reflected as Other Credits. The borrowers will receive cash back of $518 at the closing, which is within the limit for a Limited Cash-Out Refinance.

## Supplemental Consumer Information Form (SCIF)

Ken N Customer, Jr completed this form and indicated that his preferred language for loan-related communications is Spanish. Homer also completed the form and expressed a preference for Chinese.