# Test Case DI-C05: One-Borrower Construction-to-Permanent Loan with Payoff of Lot Loan

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 single borrower, Single-Closing, Construction-to-Permanent loan with payoff of the loan for the previously acquired lot.

# Narrative for Data Integrity Suite Test Case DI-C05:

In this use case, a single URLA-Borrower form is used, along with the URLA-Lender form and a URLA Continuation Sheet.

## Key Loan Characteristics

* Conventional
* Fixed – 30 Year
* 1 Unit - Detached
* Construction-to-Permanent – Single-Closing, lot acquired separately
* Primary Residence
* Suzi S Builder

## Other Data Elements Stressed in the Test Case

* Support of a new subordinate lien on the subject property

## Section 1: Borrower Information

Suzi S Builder, an immigrant with a “green card,” came to America as a young adult. She worked for a builder, learned the trade, and eventually bought the company when the founder retired. Over the years, she saved diligently and picked up a nice piece of property with a stream and a lake. Now, she is building her dream home.

## Section 2: Financial Information – Assets and Liabilities

Suzi Builder’s asset and liability information are found on the included Form 1003. On the Form, the asset value of Suzi’s company is shown in Section 2b as an “Other” asset with a value of $600,000. In the XML (ASSET\_4), the AssetType is “Other” and AssetTypeOtherDescription is “OtherNonLiquidAsset”.

## Section 3: Financial Information – Real Estate

Suzi will retain the 4-unit apartment building at 5209 Noosh Way which generates gross rental income of $2,750 per month. The lender calculates the net income to be $795.50 using the Selling Guide formula. The lot being used in this transaction is also listed in this section.

## Section 4: Loan and Property Information

Construction is nearly finished on the single family, detached house at 1234 Builders Lane, Louisville, KY 40207-1234. Suzi bought the lot for $35,000 years ago, but the lot now has an appraised value of $100,000, and the lot loan has an unpaid balance of $25,000 which will be paid off at closing. The property is not located in a project or Planned Unit Development, nor will any energy improvements be made. The estimated appraisal value after completion of construction is $375,000.

## Section 5 Declarations, Section 6, Section 7 Demographics, and Section 8 Loan Originator

## Suzi S Builder answered all the declarations, signed the loan application and provided her ethnicity, gender and race information on the included Form 1003. The loan originator also provided their information.

## Lender Loan Information

John Done at ABC Mortgage of Kentucky offered Suzi a 30-year conventional, Fixed Rate loan in the amount of $290,000, at an interest rate of 4.500%. In addition, Suzi is obtaining concurrent, subordinate financing of $15,000.

The estimated closing costs are a total of $9,096 which includes prepaid items of $2,346. Other Credits consist of borrower paid fees of $368.