Loan Guaranty Service

Guaranty Remittance ULAD Extraction Companion Document

Revision History

Date	Version	Description
9/8/2021	1.0	Initial version
11/15/2021	1.1	Header and table of contents added
06/20/2023	1.2	Updated to incorporate Pre-Close and update Guaranty Remittance.

Contents

Document Purpose

This document details how LGY extracts information from the Uniform Loan Application Dataset ("ULAD") submitted with the loan submitted for pre-close and/or remitted for guaranty. It is meant to foster transparency and certainty in the lending community by:

- Establishing best practices for how to populate the ULAD for VA loans,
- Providing the lending community with the knowledge of how that data will be extracted and applied to VA business rules.

Data Points Extracted

LGY extracts each of the following data points from the ULAD provided with a loan Guaranty Remittance.

Specifying a particular data point within the ULAD/MISMO Reference Model 3.4 is often lengthy due to the long paths in the Reference Model. To assist, the following shorthand paths are established to simplify the paths to the data points and will be used throughout this document.

- LoanPath = "MESSAGE/DOCUMENT_SETS/DOCUMENT_SET/DOCUMENTS/DOCUMENT/DEAL_SETS/DEAL_SET/DEALS/DEAL/LOANS/LOAN"

Application Date

Business Context

The application date of the loan remitted for guaranty is sometimes determinative of whether rules and regulations apply to it. For example, regulatory rules often have an effective date where those rules apply to loans with an application date on or after the effective date of the regulation but not to those loans with an application date before.

The loan application date is captured as the date the loan originator signed and dated the loan application.

Extraction Description

The date the loan originator signed and dated the loan application (application date) is extracted from the ULAD from the ApplicationSignedByLoanOriginatorDate in the URLA_DETAIL section of the ULAD (reflected in the URLA in Section 9 Loan Originator Information).

Family Size

Business Context

The size of the family supported by the obligors on the loan is an important piece of information in the underwriting of the loan, particularly for the calculation of residual income and confirming that the obligor will have sufficient residual income after the loan closing.

Extraction Description

Family Size is calculated by adding the number of borrowers + the total number of dependents for all borrowers + any property owners who are not borrowers on the loan.

Non-Obligors on the Title – Name, Relationship to Borrower, Manner How Title is Held

Business Context

People who hold title to the subject property of the loan who are not Veterans with entitlement at stake nor spouses of Veteran obligors with entitlement at stake on the loan proportionally decrease the amount of the loan able to be guaranteed. Extracting the manner in which title is held post loan closing by all property owners for that property allows LGY to determine if the guaranty must be proportionally decreased.

Extraction Description

The manner in which the title is held is modeled in the ULAD/MISMO Reference model 3.4 as the RelationshipVestingType for a party to the deal with a role of property owner. This is connected to an obligor on the loan by that same party having a role of borrower. (Reflected in the URLA L2. Title Information). Parties who have a role of property owner but not borrower are extracted as non-obligors on the title. Parties who have both roles are extracted as obligors.

Obligors

Business Context

Obligors both Veteran (or otherwise entitling such as surviving spouses) and non-Veteran on the loan are core information about the loan. The obligors on the loan determine:

- Whether the loan is eligible to be guaranteed at all (is there at least one entitling obligor on the loan)
- The portion of the loan eligible for guaranty on joint loans involving both Veterans and non-Veterans

The collection of obligors on the loan is established from the obligors in the ULAD, information extracted about each obligor from the ULAD is then combined with information from VA systems about obligors who are entitling to form the complete input data for obligors on the loan. The following pieces of information about obligors are extracted from the ULAD:

- Date of Birth,
- Full Name – First, Last, Middle, Suffix,
- Social Security Number – used to match obligors from the ULAD with the Veteran whose eligibility record (COE) was tied either to the appraisal for purchase, construction and cash-out refinance loans or for Interest Rate Reduction Refinancing Loans (IRRRLs) the entitling Veteran from the loan being refinanced.
- Email address,
- Manner in which title is held - allows LGY to determine if the guaranty must be proportionally decreased due to it being a joint loan between Veteran and non-Veteran obligors

In addition to the above, demographic information about the obligors whose collection is mandated by the Home Mortgage Disclosure Act (HMDA) is also extracted for each obligor. This information is used for reporting purposes.

Extraction Description

Obligors are modeled in the ULAD/MISMO Reference model 3.4 as parties with a role of borrower. Date of birth information is extracted from the borrower detail container within the borrower role for the

party. Name information is extracted from the Individual name container for the party. Social Security Number is extracted from the taxpayer identifiers for the party with a type of "socialsecuritynumber". The obligors primary email address is extracted from the contact point emails for the party.

The manner in which the title is held is modeled in the ULAD/MISMO Reference model 3.4 as the RelationshipVestingType for a party to the deal with a role of property owner. This is connected to an obligor on the loan by that same party having a role of borrower. (Reflected in the URLA L2. Title Information).

HMDA required demographic information is generally modeled in the ULAD/MISMO Reference model 3.4 in the Government Monitoring container for the party with a borrower role (Reflected in the URLA in Section 8. Demographic Information). Within that container:

- Gender identification is extracted from the ULAD Extension for HMDAGenderType
- Racial and race identifications are extracted from HMDA_RACES and HMDA_RACE_DESIGNATIONS
- Ethnicity identifications are extracted from the ULAD Extension ULAD:HMDA_Ethnicities
- Ethnic origin identifications are extracted from the HMDA_ETHNICITY_ORIGINS