

New ALD File Format Specifications Document

Summary of Key Changes

Effective March 1st, 2019

Effective March 1st, 2019, the Federal Reserve System is amending the New ALD File Format Specifications document. The changes include the following:

1. Master note loan fields

The Master Note Reference Number loan field definition has been corrected to make reference to a unique identifier rather than the original balance.

The Master Note Reference Number, Master Note Original Balance/Commitment and Master Note Current Commitment Amount loan field definitions have been clarified in order to explain that master notes are lending facilities where a borrower has the ability to make draws whereby each draw becomes a distinct loan with its own unique Obligation Number, all of which being reported as separate loan detail records with distinct sets of loan field values. Standard draws under a single line of credit are not to be reported as separate loans.

2. Interest rate index loan field

The Interest Rate Index loan field definition has been clarified in order to explain that the allowable values are meant to capture domestic interest rate indices only. Foreign interest rate indices should be classified as "OT" (Other).

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Summary of Key Changes

Effective May 24, 2018

Effective May 24, 2018, the Federal Reserve System is amending the New ALD File Format Specifications document. Key changes include the following:

1. Asset codes

The asset code of 550 has been added to the document along with corresponding required loan fields and formats.

2. Loan field names

The names of certain required loan fields have been changed:

- Leverage Current is now Most Recent Leverage
- Date of Leverage Current is now Date of Most Recent Leverage
- Credit Bureau Score Current is now Most Recent Credit Bureau Score
- Date of Credit Bureau Score Current is now Date of Most Recent Credit Bureau Score
- LTV/CLTV Current is now Most Recent LTV/CLTV
- Date of LTV/CLTV Current is now Date of Most Recent LTV/CLTV
- DSCR Current is now Most Recent DSCR
- Date of DSCR Current is now Date of Most Recent DSCR
- Pool Type is now Credit Score Segment

3. Obligor location

Clarifications have been added to the loan field definitions related to the obligor's city, state and country.

4. Accounting for junior lien CRE loans

Certain required loan field names and definitions related to CRE loans have been changed in order to account for the presence of junior lien CRE loans:

- Most Recent LTV is now Most Recent LTV/CLTV
- Date of Most Recent LTV is now Date of Most Recent LTV/CLTV Current
- LTV at Origination is now LTV/CLTV at Origination
- The definitions for Most Recent LTV/CLTV and LTV/CLTV at Origination now include language to account for junior lien CRE loans.

5. LTV

Clarifications have been made regarding acceptable property valuation methods for Most Recent LTV/CLTV and LTV/CLTV at Origination:

- Most Recent LTV/CLTV: Property/collateral value should only be based on an appraisal or a model-based value.
- LTV/CLTV at Origination: Property/collateral value should only be based on an appraisal or a market transaction.

Clarifications have also been made to the definitions for Most Recent LTV/CLTV and LTV/CLTV at Origination related to 1-4 Family Mortgages (Home Equity, 2nd Lien) in order to aid institutions' understanding of the required loan field.

6. Credit bureau scores

Clarifications have been made regarding the range of acceptable credit bureau scores related to two required loan fields:

- Credit Score Segment: The required credit bureau score range of 300-850 has been added to the definitions.
- Credit Bureau Score at Origination: The definition has been clarified to specify the need for the higher of the borrower's and co-signer(s)' credit scores for student loans, and the need for the credit score of the primary borrowers for other consumer loans.

7. Interest rate indices

A separate "Other" allowable value has been added to distinguish between the U.S. LIBOR replacement benchmark (e.g.: SOFR) and other interest rate indices not shown in the list.

8. ARM loans

Clarifications have been made to make it clear that ARM loans must have corresponding interest rate indices, spreads, caps, and floors regardless of whether the ARM loan is currently in a fixed rate or floating rate period.

9. Leverage and DSCR

Clarifications have been made to the definitions related to Most Recent Leverage, Leverage at Origination, Most Recent DSCR and DSCR at Origination in order to reduce the burden on institutions to achieve compliance.

10. Amortization End Date

Clarifications have been made in order to account for atypical amortization schedules other than the standard options of bullet, installment, and balloon.

11. Origination Date

Clarifications have been made to the definition in order to account for loan renewals.

12. Collateral Type

Deleted redundant language within the definition related to CRE, 1-4 Family Mortgages (Home Equity, 2nd Lien) and Consumer Secured loans that referenced the "Other" allowable value.

13. Prepayment Lockout End Date

Clarifications have been made in order to account for the presence of prepayment penalties/yield maintenance in addition to a total lockout.

14. Draw-down Type

Examples have been added to the definition in order to aid institutions' understanding of the required loan field and the allowable values.

15. Original Balance/Commitment

Language has been added to the definition linked to C&I loans in order to account for the presence of leases.

16. Balance

Language has been added to the definition linked to credit cards in order to clarify that the balance should account for finance charges.

17. Amortization Start Date

Language has been added to the definition linked to student loans in order to account for deferrals of principal payments.