

Loan Product Advisor[®] (LPASM) Feedback Message Updates



Employment Representation and Warranty Relief Message Updates

Effective October 14, 2024

As announced in *Single-Family Seller/Servicer Guide* (Guide) [Bulletin 2024-13](#), you can now close loans smoothly and with confidence through an expansion of LPA’s asset and income modeler (AIM) capability to assess employment. The expansion provides representation and warranty relief (R&W) eligibility related to the borrower’s current employment.

You have options when it comes to opportunity for R&W relief eligibility. Using data from payroll or asset reports (including employment-only reports) or digitized paystubs and W-2s through AIM Check API, LPA will assess eligibility for employment R&W relief. If the loan is closed on or before the close-by date provided in the feedback messaging, the loan may be eligible for employment R&W relief.

To support this enhancement, we’re making the following updates to feedback messaging for submissions on or after October 14.

New Messages

| Message Code | New Message Text | Feedback Certificate, Error Page | Purpose |
|--------------|--|----------------------------------|--|
| FEI0324 | <<BorrowerFullName>>'s employment at <<CurrentEmployerFullName>> is relieved of representations and warranties for the borrower's current employment and the integrity of the data if the loan is closed on or before <<CloseByDate>>. The third-party report [<<Vendor Name>>: <<Report ID>>] must be retained in the loan file. If the loan does not close by <<CloseByDate>>, resubmit with updated employment data. | Feedback Certificate | New message indicating that the employment referenced is eligible for representation and warranty relief if the note is dated on or before the close-by date. Applicable for employments assessed using third-party report(s). |
| FEI0325 | <<BorrowerFullName>>'s employment at <<CurrentEmployerFullName>> is relieved of representations and warranties for the borrower's current employment if the loan is closed on or before <<CloseByDate>>. Employment was assessed based on paystub data from the provider using [<<Vendor Name>>: <<Report ID>>]. The paystubs must be retained in the loan file. If the loan does not close by <<CloseByDate>>, resubmit with updated employment data. | Feedback Certificate | New message indicating that the employment referenced is eligible for representation and warranty relief if the note is dated on or before the close-by date. Applicable for employments assessed using digitized paystub and W-2. |



| Message Code | New Message Text | Feedback Certificate, Error Page | Purpose |
|--------------|--|----------------------------------|---|
| FEI0326 | <<BorrowerFullName>>'s employment at <<CurrentEmployerFullName>> was assessed using data from the provider <<Vendor Name>>: <<Report ID>>]. The 10-day pre-closing verification (10-day PCV) requirement is met if the Note Date is on or before <<PCVCloseByDate>>. | Feedback Certificate | New message for caution loans indicating the 10-day pre-closing verification is met if the note is dated on or before the close-by date. |
| FEI0327 | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment based on data from the provider using [<<VendorNameAndReportIdentifier>>]. | Feedback Certificate | New message indicating employment is not eligible for representation and warranty relief. |
| FEI0328 | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment. Employment could not be linked to information on the [<<VendorNameAndReportIdentifier>>] report. If applicable, resubmit using an AKA for the submitted employer name. Ensure active employment status is documented in the loan file. | Feedback Certificate | New message indicating employment is not eligible for representation and warranty relief because the submitted employer was not linked to employer information on the third-party report. |

Revised Messages

| Message Code | Original or Existing text (if applicable) | New Message Text |
|--------------|--|--|
| FEI0260 | Unable to assess employment for the pre-closing verification. Pay cadence could not be determined from income deposits on the third-party report. | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment. Pay cadence could not be determined from income deposits on the [<<DDVendorNameAndReportIdentifier>>] report. Ensure active employment status is documented in the loan file. |
| FEI0235 | Unable to assess ~Borrower Name~'s employment at ~Employment Name~ for the pre-closing verification using the ~Vendor Name~-~Report ID~ report. Employment may have been discontinued as the most recent deposit(s) are missing based on the pay frequency and last deposit date(s) on the third-party report. | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment. Employment may have been discontinued as the most recent deposit(s) are missing based on the pay frequency and last deposit date of <<LastDepositDate>> on the [<<DDVendorNameAndReportIdentifier>>] report. Ensure active employment status is documented in the loan file. |
| FEI0236 | Unable to assess employment for the pre-closing verification. Employment could not be identified from income deposits on the third-party report. | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment. Employment could not be identified from income deposits on the [<<DDVendorNameAndReportIdentifier>>] report. If applicable, resubmit using an AKA for the submitted employer name. Ensure active employment status is documented in the loan file. |



| Message Code | Original or Existing text (if applicable) | New Message Text |
|--------------|---|---|
| FEI0237 | Unable to assess employment for the pre-closing verification. Gap(s) in income deposits found on the third-party report. | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment. Gap(s) in income deposits found on the [<<DDVendorNameAndReportIdentifier>>] report. Ensure active employment status is documented in the loan file. |
| FEI0290 | For ~Borrower Full Name~, employment at ~EmployerName~ could not be assessed for the 10-day pre-closing verification (10-day PCV) using the ~Vendor Name~-~Report ID~ report. Employment may be inactive or discontinued based on information on the third-party report. Ensure active employment status is documented in the loan file. | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment. Employment may be inactive or discontinued based on information on the [<<VendorNameAndReportIdentifier>>] report. Ensure active employment status is documented in the loan file. |
| FEI0291 | For ~Borrower Full Name~, employment at ~EmployerName~ could not be assessed for the 10-day pre-closing verification (10-day PCV) using the ~Vendor Name~-~Report ID~ report. Employment status from the third-party report is currently not acceptable for the automated pre-closing verification. Ensure active employment status is documented in the loan file. | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment. Employment status on the [<<VendorNameAndReportIdentifier>>] report is not currently acceptable for employment verification. Ensure active employment status is documented in the loan file. |
| FEI0293 | For ~Borrower Full Name~, employment at ~EmployerName~ could not be assessed for the 10-day pre-closing (10-day PCV) verification using the ~Vendor Name~-~Report ID~ report. Close by Date for the 10-day pre-closing verification has expired. Refresh the report and resubmit. | <<BorrowerFullName>>'s employment at <<EmployerFullName>> is not eligible for representation and warranty relief for the borrower's current employment. Close by Date has expired based on data from the provider <<VendorNameAndReportIdentifier>>. Refresh the data and resubmit or ensure active employment status is documented in the loan file. |
| FEI0102 | A 10-day pre-closing verification (10-day PCV) is required for ~BorrowerFullName~'s ~EmployerFullName~ employment income. The 10-day PCV must be dated no more than 10 Business Days prior to the Note Date or after the Note Date but prior to the Delivery Date. The verification must be retained in the loan file. | <i>Note: This message text remains the same but will only appear on submissions that receive a Caution risk class.</i> |

Retired Messages

Note: FEI0234 and FEI0289 will be retired and are replaced by FEI0324 (listed above under "New Messages").

| Message Code | Original or Existing text (if applicable) |
|--------------|---|
| FEI0238 | Unable to assess employment for the pre-closing verification. Additional income deposits are required on the third-party report. |
| FEI0239 | Unable to assess employment for the pre-closing verification due to internal server error. Please resubmit the loan. If you continue to receive this message, contact the Customer Support Contact Center (800-FREDDIE) for assistance. |



| Message Code | Original or Existing text (if applicable) |
|--------------|--|
| FEI0234 | ~Borrower Full Name (IVAN)~'s employment at ~Derived Employment Name Per Job~ was assessed using the ~Employment Verification Vendor Name (IVAN)~--~Employment Verification Report Identifier (IVAN)~ report. The 10-day pre-closing verification (10-day PCV) requirement is met if the note date is on or before ~PCV Close by Date (IVAN)~. |
| FEI0289 | For ~Borrower Full Name~, employment at ~EmployerName~ was assessed using the ~Employment Verification Vendor Name~--~Employment Verification Report Identifier~ report. The 10-day pre-closing verification (10-day PCV) requirement is met if the Note Date is on or before ~PCV Close by Date~ and ~EmployerName~ matches submitted employment. |

