

Loan Product Advisor® (LPASM) release notes provide updates on LPA enhancements to help streamline the way you work and offer a summary of feedback messages.

LPA Specification Version 5.4.00 Feedback Response Updates

Effective April 7

To use some of the enhancements in this release, your system will require adoption of LPA system-to-system (S2S) specification v5.4.00, released on March 7, 2024. Review the [Specification Bulletin](#) for more technical details. Updates that apply to all versions of LPA have been noted.

New Partial Shield for Income and Asset R&W Relief Eligibility

To identify eligibility more clearly for both asset and income representation and warranty (R&W) relief, we've updated the Income R&W Relief and Asset R&W Relief fields under the Representation and Warranty Relief section of the Assessment Summary to display a new value of "Partial" when portions of the income and/or assets are eligible for relief. Previously, the indicators only displayed "Eligible" or "Not Eligible," and partial R&W relief could only be identified in messaging.

Freddie Mac Loan Product Advisor® Feedback Certificate

Assessment Summary

Details			Affordable Product Information	
BORROWER NAME	NUMBER OF SUBMISSIONS	LP KEY NUMBER	AREA MEDIAN INCOME	AREA MEDIAN INCOME (%)
MARY FREDDIE	1	AA189926	\$150,400.00	100.54%

Assessment Summary		Representation & Warranty Relief		
PURCHASE ELIGIBILITY	RISK CLASS	COLLATERAL R&W* RELIEF	INCOME R&W* RELIEF	ASSET R&W* RELIEF
INELIGIBLE	ACCEPT	NOT ELIGIBLE	N/A	PARTIAL

Updated Eligibility Shield Colors

We've updated the shield colors in the Assessment Summary and Representation & Warranty Relief sections to make "Eligible" and "Not Eligible" more prominent so you can easily read results and determine your eligibility for R&W relief.



New Initial Submission Data Field

As requested, LPA will display the date of the initial submission in the Date Initial Submission field in the Transaction Details section of the feedback certificate, replacing the Created Date Time field currently being displayed.

ASSESSMENT TYPE Credit	LPA VERSION 5.4.00
DATE INITIAL SUBMISSION 2024-03-15	DATE/TIME ASSESSED 2024-03-15T18:39:53Z
MSP NUMBER N/A	

New ARM Qualifying Rate Field

LPA will display the interest rate used to calculate the adjustable-rate mortgage (ARM) qualifying principal and interest payment rather than the Qualifying Rate Percent. This field will show the actual percent used to qualify the borrower in the LPA assessment and will be displayed in the Mortgage Details section in the ARM Qualifying Rate field.

Mortgage Details

PRODUCT TYPE Adjustable	AMORTIZATION TYPE Adjustable Rate	AMORTIZATION MONTHS 360
LOAN PURPOSE Purchase	PURCHASE PRICE \$309,631.00	ESTIMATED PROPERTY VALUE \$309,631.00
PROPERTY TYPE Condo Mid-rise Project	OCCUPANCY Primary Residence	REFINANCE TYPE N/A
INTEREST RATE BUYDOWN No	SALES CONCESSIONS N/A	ARM QUALIFYING RATE 7.2500%
AFFORDABLE SECOND N/A	TOTAL SUBORDINATE FINANCING N/A	HELOC BALANCE N/A

New Maximum Conforming Loan Limit

Currently, the Federal Housing Administration (FHA) Mortgage Limit is displayed only for FHA loans. The maximum conforming loan limit will also be provided for conventional loans and displayed in the Max Mortgage Limit field in the Qualifying Ratios section on the feedback certificate. ***This update will be available for all versions of LPA.***

We're updating a [purchase restriction message](#) to support this update. With the addition of this message, we're retiring feedback message FPA0072.

Number of Submissions Update

LPA is updating the format for Unique ID (UID) 434.40 lpa:AutomatedUnderwritingSubmissionCount in the Response File from Numeric 2 to Numeric 3. This field will continue to display the number of times the transaction has been submitted to LPA.



Removal of Borrower Alias Name on PDF Results

LPA is removing the borrower alias name and duplicate Social Security number on the PDF forms to improve consistency across our feedback results. The update spans across the feedback certificate, Document Checklist and the Property Valuation Disclosure for Home Value Explorer®. ***This update will be available for all versions of LPA.***

LPA Specification Version 5.4.00 Request File Updates

Effective April 7

To use some of the enhancements in this release, your system will require adoption of LPA S2S specification v5.4.00, released on March 7, 2024. Review the [Specification Bulletin](#) for more technical details. Updates that apply to all versions of LPA have been noted.

New Lender Grants Requirement

LPA will require a distribution of lender or non-originating lender grant amounts reported by the borrower as assets. Users must enter the portion(s) of the grant to be used for the down payment and/or closing costs. The sum of the value(s) provided from the grant amount towards closing costs and/or down payment must equal the value provided for the grant amount entered under the borrower's assets.

Review associated [feedback messages](#).

Lender Credits Collection Update

We're making it easier to deliver the LPA Request File by aligning our collection of total lender credits with industry standards. You'll be able to deliver the total amount of any lender-paid closing costs in two new data points: LPA v5.4 Request File UID 123.00 Closing Adjustment Item Type = "LenderCredit" and UID 123.10 Closing Adjustment Item Amount.

With this change, we're retiring the "Lender" enumeration for UID 185.50 Purchase Credit Source Type. Closing costs provided by the lender can no longer be delivered using the Purchase Credit data points.

When submitting through our S2S interface, LPA will not include amounts entered using the Purchase Credit Source Type = Lender in the calculations used for Required Borrower Funds and Total Funds to be Verified. When using the graphical user interface (GUI) of LPA, the user must remove any amounts entered as Purchase Credit Source Type = Lender and enter the amounts into Lender Credits in the Qualifying the Borrower – Minimum Required Funds or Cash Back section on the Lender Loan Metro Stop.

New Closing Agent Enumeration for Purchase Credits

Based on requests, we're adding a new enumeration of "ClosingAgent" to UID 187.50 Purchase Credit Source Type Other Description to capture situations where a closing or settlement agent pays costs related to the transaction.

Data Point Limitations for Conventional Loans

We're limiting the following data point requirements to conventional loans only to promote industry consistency ***for all versions of LPA:***



- **HMDA Data on URLA:** Home Mortgage Disclosure Act (HMDA) data provided on the Uniform Residential Loan Application (URLA), Freddie Mac Form 65, in “Section 8. Demographic Information” must be passed through to LPA. HMDA data points will be required for conventional loans only. Previous versions of LPA didn’t limit HMDA data delivery to a specific mortgage type.
- **SCIF Borrower Language Preference Data:** Any data provided by the borrower on the Supplemental Consumer Information Form (SCIF), Freddie Mac/Fannie Mae Form 1103, in the “Language Preference” section, now needs to be delivered only for conventional loans.
- **SCIF Homeownership Education Data:** When the *Single-Family Seller/Service Guide* (Guide) requires the borrower(s) to complete homeownership education to qualify for the offered loan or loan program, applicable supporting data points only need to be supplied for conventional loans.

FHA Loan Lender and Sponsor Identifiers Alignment Update

To comply with Federal Housing Administration (FHA) loan requirements specified in the Developer’s Guide for Total Scorecard, v4.07, November 28, 2023, we’ll update the LPA v5.4.00 Request File Conditionality Details, Format and Implementation Notes for identifying lenders, depending on the role(s) they’re playing in the transaction. ***This update will be available for all versions of LPA.***

Military Service Data Update

Borrowers identify their military affiliation on the URLA in “Section 7. Military Service.” In previous versions of LPA, the data points and values did not clearly correspond to each URLA response; nor were they limited to U.S. Department of Veteran Affairs (VA) loans. To simplify the requirements for providing these data points, we’re adopting the conditionality that aligns with the rest of the industry.

Review associated [feedback messages](#).

Full April Feedback Message Updates

Review the full list of [April feedback message updates](#) or visit the [Loan Advisor Resources & Learning webpage](#) – bookmark it for quick access to the latest updates for all of the Loan Advisor tools you use.

