

Loan Product Advisor[®] (LPASM) Specification Bulletin

March 21, 2023

New LPA v5.3.00 System-to-System (S2S) Specification

We're publishing the new **Loan Product Advisor[®] (LPASM) version 5.3.00** S2S specification on **March 21, 2023**. The specification provides data requirements needed to support LPA enhancements that will promote affordable product eligibility, support accessory dwelling units (ADUs) policy expansion, provide functionality improvements and more. The full updated specification files are available on the [Freddie Mac Developer Portal](#). Please schedule time and resources to implement the specification changes.

Prior Specification Version Retirement

Effective March 2024

With the implementation of LPA specification version 5.3.00, we're announcing the retirement of LPA specification versions 5.0.06 and 5.1.00, effective March 2024. By upgrading to the latest version, you can capture and send required data with minimal workarounds to achieve the most accurate LPA feedback response. New submissions after this date will need to use a more recent version. Please reach out to your Freddie Mac representative to coordinate your 5.3.00 verification.

LPA v5.3.00 Request File Updates

NEW: Subject Property Accessory Dwelling Unit (ADU) Policy Expansion

LPA v5.3.00 has been updated to support the expansion of our policy announced in *Single-Family Servicer/Seller Guide* (Guide) [Bulletin 2022-11](#) for loans secured by properties with an ADU. These updates include the addition of new data points to the LPA v5.3.00 Request File to accept the number of ADUs on a subject primary residence, even if rental income from the ADU is not used to qualify, and a change in guidance to limit the use of the Income Type "Accessory Unit Income" for ADU income generated by a subject primary residence.

For purchases, an extension to the Property Detail container under Subject Property enables collection of two new data points, as shown in the following Request File snippet. Note the ADU rental income data point below will be for future use.

Unique ID (NEW)	MISMO v3.4 Schema XPath*	Data Point / Attribute Term*	Definition	Conditionality
826.10 826.20 826.30 71.70	.../Collateral / Subject Property / Property Detail / Extension / Other / lpa: Property Detail Extension	lpa: Accessory Dwelling Unit Total Count	The total number of accessory dwelling units on the property.	C-IF MortgageType = "Conventional" AND there are ADU(s) on the subject property
71.60		lpa: Accessory Dwelling Unit Monthly Rent Amount	The amount of net monthly rental income derived from all ADUs on the property.	N/A-For Future Use

*Represented in normal text throughout this document..

For refinances, an extension to the Property Detail container under Owned Property enables collection of identically named data points, shown in the following Request File snippet. Again, ADU rental income data point below will be for future use.

Unique ID (NEW)	MISMO v3.4 Schema XPath	Data Point / Attribute Term	Definition	Conditionality
814.10 814.20 814.30 33.60	.../ Asset / Owned Property / Property / Property Detail/ Extension / Other / lpa: Property Detail Extension	lpa: Accessory Dwelling Unit Total Count	The total number of accessory dwelling units on the property.	IF Mortgage Type = "Conventional" AND (Asset Type = "Real Estate Owned" AND Owned Property Subject Indicator = "true") AND there are ADU(s) on the owned property
33.70		lpa: Accessory Dwelling Unit Monthly Rent Amount	The amount of net monthly rental income derived from all ADUs on the property.	N/A-For Future Use

The implementation notes for Unique ID (UID) 258.00 – Income Type = “Accessory Unit Income” have been changed to clarify that this enumeration should be provided only for ADU income generated by a subject primary residence. This clarification also applies to LPA v5.0.06 through v5.2.00, and the Implementation Note for the attribute in those versions have also been updated.

Implementation Considerations - The following files are impacted by this change:

- *lpa.xsd file (schema)* - If your system does not parse the xml file, no changes are needed. If you do receive and process the xml file, be sure to swap out your lpa.xsd file with the new one provided in the LPA v5.3.00 Specification Package. The updated lpa.xsd file will include the new Extension structures listed above.

Data Updates Supporting Functionality Enhancements

ENHANCED: Requirement to Associate a Mortgage Loan to a Real Estate Asset

With LPA v5.0.06 through v5.2.00, each mortgage loan or home equity line of credit (HELOC) liability (Liability Type = “Mortgage Loan” or “HELOC”) had to be linked to its associated real estate asset (Asset Type = “Real Estate Owned”). This link (Relationship) was required regardless of whether the borrower was still the true owner of the real estate asset or was responsible for those debts.

LPA v5.3.00 has been updated so that liability(ies) (mortgage expense(s)) designated as excluded because the borrower is no longer responsible for them do not need to be linked to the associated real estate asset. This processing improvement impacts four data points in the Request File:

Unique ID	MISMO v3.4 Schema XPath	Data Point / Attribute Term	Conditionality	Implementation Notes
89.00	.../ Liability / Liability Detail	Liability Exclusion Indicator	IF Liability Type is present	Enter "true" to indicate that a liability reported by the borrower or the credit report is no longer valid and should be excluded from the Debt-to-Income (DTI) ratio. The excluded liability will not reduce the amount of assets available to close.



Unique ID	MISMO v3.4 Schema XPath	Data Point / Attribute Term	Conditionality	Implementation Notes
409.00	.../ Deal / Relationships / Relationship	<i>xlink:arcrole = "urn:fdc:mismo.org:2009:residential/ASSET_IsAssociatedWith_LIABILITY"</i>	IF Liability Type = "Mortgage Loan" OR "HELOC" AND "Asset Type = "Real Estate Owned" AND Liability Exclusion Indicator = "false"	
410.00	.../ Deal / Relationships / Relationship	<i>xlink:from = ASSET_n</i>	IF Liability Type = "Mortgage Loan" OR "HELOC" AND "Asset Type = "Real Estate Owned" AND Liability Exclusion Indicator = "false"	
411.00	.../ Deal / Relationships / Relationship	<i>xlink:to = LIABILITY_n</i>	IF Liability Type = "Mortgage Loan" OR "HELOC" AND "Asset Type = "Real Estate Owned" AND Liability Exclusion Indicator = "false"	

ENHANCED: Increased Accuracy – Total Monthly Debt and Income Calculations

The data point UID 90.50 – Liability Payment Includes Taxes Insurance Indicator, which qualifies the Liability Monthly Payment Amount for Mortgage Loan liabilities, has converted from optional to conditional. This allows LPA to leverage a more accurate debt amount in total monthly debt and total monthly income calculations. The specifications for three data points are affected as shown in the following table:

Unique ID	MISMO v3.4 Schema XPath	Data Point / Attribute Term	Definition	Conditionality	Implementation Notes
17.00	.../Asset / Owned Property / Owned Property Detail	Owned Property Maintenance Expense Amount	The total monthly amount for insurance, property taxes, association dues and other housing expenses on the owned real property.	IF Asset Type = "Real Estate Owned" AND Owned Property Disposition Status Type = "Retain" AND Liability Payment Includes Taxes Insurance Indicator = "false"	If UID 90-Liability Payment Includes Taxes Insurance Indicator = "true," LPA will no longer use this data point to capture the maintenance expenses to calculate the total monthly payment on the owned property.
90.50	.../ Liability / Liability Detail	Liability Payment Includes Taxes Insurance Indicator	When true, indicates that the mortgage liability payment includes taxes and/or insurance in addition to principal and interest.	IF Liability Type = "Mortgage Loan"	<ul style="list-style-type: none"> ▪ 1 of 3: Enter "true" if the total monthly amount for <i>all</i> liabilities and expenses related to the owned property is included in Liability Monthly Payment Amount. ▪ 2 of 3: Enter "false" if <i>only</i> P&I is included in Liability Monthly Payment Amount. ▪ 3 of 3: If not provided, LPA defaults the value to "false" and UID 17-Owned Property Maintenance Expense Amount must be provided and include any additional expenses not provided in Liability Monthly Payment Amount.



Unique ID	MISMO v3.4 Schema XPath	Data Point / Attribute Term	Definition	Conditionality	Implementation Notes
90.00	.../ Liabilities / Liability / Liability Detail	Liability Monthly Payment Amount	The dollar amount of the monthly payment required on borrower's Liability Type.	IF LiabilityType is present	For real estate liabilities: <ul style="list-style-type: none"> 1 of 2: Enter the total dollar amount of liabilities related to the owned property <i>unless</i> you have split out the taxes, insurance and other maintenance expenses and provided them in UID 17- Owned Property Maintenance Expense Amount. 2 of 2: If you <i>have</i> split out the taxes, insurance and other maintenance expenses, the Liability Payment Includes Taxes Insurance Indicator should be "false."

UPADATED: FHA Loan Requirement – Positive Rental Income

In support of the Federal Housing Administration (FHA) policy announced in [FHA Mortgagee Letter 2022-17](#), we updated our specification v5.2.00 to include UID 189.50 – ulad: Positive Rental History Indicator. With LPA v5.3.00, the conditionality for this data point was updated to be required for all FHA loans. LPA passes the data point to FHA's Technology Open To Approved Lenders (TOTAL) Scorecard and, when applicable, returns new FHA messages. If the data point is not included in the LPA Request File, LPA sends the indicator to TOTAL with a value of "false." Note that this data point is a ulad: extension to the Qualification container, as shown below.

Unique ID	MISMO v3.4 Schema XPath	Data Point / Attribute Term	Conditionality	Implementation Notes
189.50	.../ Loan / Qualification / Extension / Other / ulad: Qualification Extension	ulad: Positive Rental History Indicator	IF Mortgage Type = "FHA" AND exists	1 of 2: If not included in the request file, LPA sends "false" to FHA TOTAL Scorecard. 2 of 2: Refer to Refer to HUD Mortgagee Letter 2022-17 and HUD Developer's for Total Scorecard v4.06.

NEW: Vendor for Third-Party Verification

The enumeration "BLNI" has been added to UID 493.00 – lpa: Requested Document Vendor Identifier so lenders can identify Blend Insights.

UPDATED: LPA v5.3.00 Request File Specification Documentation

- As usual, the values for UID 2.00 – About Version Identifier and Data Version Identifier have been updated to S5.3.00 and 5.3.00 respectively.
- Corrections have been made to the documentation itself, including typographical, cut and paste and presentation errors. These are itemized on the Revision Log tab.
- The data requirements set forth for Service Type = Documentation Preparation have been updated and consolidated into one instance of the Service container.



LPA v5.3.00 Response File and Feedback Certificate Updates

NEW: Affordable Product Information

The area median income (AMI) and the borrowers' total qualifying income as a percentage of AMI are new data points in the LPA v5.3.00 Response File and on the LPA Feedback Certificate to provide information that will help you better understand the loan's affordable product eligibility.

In the v5.3.00 Response File, the existing MISMO v3.4 Affordable Lending container has been added under the Loan container with one data point. An extension to the Affordable Lending container provides an additional data point, as shown in the snippet from the Response.

Implementation Considerations - The following files are impacted by this change:

- *lpa.xsd file (schema)* - If your system does not parse the xml file, no changes are needed. If you do receive and process the xml file, be sure to swap out your lpa.xsd file with the new one provided in the LPA v5.3.00 Specification Package. The updated lpa.xsd file will include the new Extension data point.

Unique ID	MISMO v3.4 Schema XPath	Data Point / Attribute Term	Definition	Feedback Certificate Label (see screenshot below)
839.40 102.00	.../ Loan / Affordable Lending	HUD Median Income Amount	The HUD estimated median family incomes to determine borrower eligibility for all applications related to affordable lending products.	Area Median Income
839.41 839.42 839.43 103.00	.../ Loan / Affordable Lending / Extension / Other / lpa: Affordable Lending Extension	lpa: Calculated Area Median Income Percent Number	A number (usually a portion of 100) that represents the ratio of annual household income amount to the HUD area median income amount for the Metropolitan Statistical Area of the subject property, as calculated by LPA.	Area Median Income (%)

The screenshot shows the 'Feedback Certificate' page in the Loan Product Advisor. A blue box highlights the 'Affordable Product Information' section, which contains the following data:

Affordable Product Information	
AREA MEDIAN INCOME	AREA MEDIAN INCOME (%)
\$109,000.00	166.98%

Other details visible on the page include:

- Details:** BORROWER NAME: John P Freddie Jr; NUMBER OF SUBMISSIONS: 1; LP AUS KEY: A3631999
- Assessment Summary:** PURCHASE ELIGIBILITY: ELIGIBLE; AUS RISK CLASS: ACCEPT; COLLATERAL R&W* RELIEF: UNAVAILABLE | N/A; INCOME R&W* RELIEF: NOT ELIGIBLE; ASSET R&W* RELIEF: ELIGIBLE



NEW: Freddie Mac Home Possible® Eligibility Banner

To alert you to the possibility that a submitted loan may qualify for an affordable program, a new message banner will appear at the top of the Feedback Certificate Summary and will indicate that the loan either a) was submitted as a Home Possible mortgage and meets income limits; or b) was not submitted as a Home Possible mortgage but may be eligible because it meets income limits.

To support this messaging, a new enumeration was added to existing data point UID 416.25 — lpa: Automated Underwriting System Message Section Identifier as shown below.

Unique ID	MISMO v3.4 Schema XPath	Data Point / Attribute Term	New Enumeration	Feedback Certificate Label (see screenshot below)
416.25	.../ lpa: Automated Underwriting System Response Message Item	lpa: Automated Underwriting System Message Section Identifier	Banner	Information icon and Attention:

Implementation Considerations - The following files are impacted by this change:

- *lpa:xsd file (schema)* - If your system does not parse the xml file, no changes are needed. However, if you do receive and process the xml file, be sure to swap out your lpa.xsd file with the new one provided in the LPA v5.3.00 Specification Package. The updated xsd file will include the new enumeration.
- *Feedback Certificate* - If your system uses the PDF version of the Feedback Certificate returned by LPA, no further action is required. However, if your system uses our stylesheets to render the Feedback Certificate from the Response XML, you will need to update the stylesheets to receive these messages. We highly recommend taking advantage of the PDF Feedback Certificate instead of continuing to maintain the stylesheet files.

If the loan was submitted as a Home Possible mortgage and meets the Home Possible income limits, you'll see this banner:

The screenshot displays the 'Feedback Certificate' summary page in the Loan Product Advisor interface. A prominent blue banner at the top contains the message: 'Attention: Loan was assessed for Home Possible® eligibility and meets income limits.' Below this banner, the page is organized into sections: 'Details' (Borrower Name: Alice Freddie, Number of Submissions: 1, LP AUS Key: A3628600), 'Assessment Summary' (Purchase Eligibility: ELIGIBLE, AUS Risk Class: ACCEPT, Collateral R&W Relief: NOT ELIGIBLE | N/A, Income R&W Relief: NOT ELIGIBLE, Asset R&W Relief: NOT ELIGIBLE), and 'Affordable Product Information' (Area Median Income: \$98,100.00, Area Median Income (%): 72.18%). Each assessment item includes a 'RESULTS' button.



If the loan meets Home Possible income limits but was not submitted as a Home Possible mortgage, you'll see this banner:

ENHANCED: Program Identifier Label on the Feedback Certificate

Before LPA v5.3.00, only one program identifier could be displayed in the Mortgage Details section, even if multiple Loan Program Identifiers (UID 178.00) or Refinance Program Identifiers (UID 177.00) were submitted. This field has been relocated to the Loan Details section and renamed “Program Identifier(s).” As illustrated below, up to seven program identifiers can now be displayed under this label so you can see all the values that were submitted to LPA.

Implementation Considerations - The following files are impacted by this change:

- *Response File xml instance* - Note that the cardinality for the Loan Program Identifier and Refinance Program Identifier have been updated.
- *Feedback Certificate* - If your system uses the PDF version of the Feedback Certificate returned by LPA, no further action is required. However, if your system uses our stylesheets to render the Feedback Certificate from the Response File xml instance, you will need to update the stylesheets to receive these messages. We highly recommend taking advantage of the PDF Feedback Certificate instead of continuing to maintain the stylesheet files.

UPDATED: Collateral R&W Relief Description

To update and clarify the source data qualifying the subject property for collateral representation and warranty relief (R&W), the following values have been added:

Unique ID	MISMO v3.4 Schema XPath	Data Point / Attribute Term	Active Enumerations	Feedback Certificate Label (see screenshot below)
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177.00	.../ Loan / Underwriting / Automated Underwritings / Automated Underwriting / Extension / Other / lpa: Automated Underwriting Extension	lpa: Collateral Representation And Warranty Relief Description	ACE ACE Property Data Report Appraisal Waiver Desktop Appraisal Exterior Inspection Full Appraisal Hybrid Appraisal Interior Exterior Inspection Interior Inspection Other Property Data Report Traditional Appraisal	Collateral R&W Relief (follows Relief Type) NOTE: Property Data Report will be provided as a future enhancement.
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Implementation Considerations - The following files are impacted by this change:

- *lpa:xsd file (schema)* - If your system does not parse the xml file, no changes are needed. However, if you do receive and process the xml file, be sure to swap out your lpa.xsd file with the new one provided in the LPA v5.3.00 Specification Package. The updated lpa:xsd file will include the new enumerations.
- *Feedback Certificate* - If your system uses the PDF version of the Feedback Certificate returned by LPA, no further action is required. However, if your system uses our stylesheets to render the Feedback Certificate from the Response File xml instance, you will need to update the stylesheets to receive these messages. We highly recommend taking advantage of the PDF Feedback Certificate instead of continuing to maintain the stylesheet files.

UPDATED: Feedback Certificate “Secondary Financing” Label

Earlier LPA versions of the Feedback Certificate display the total subordinate financing for the loan under the label “Secondary Financing.” With LPA v5.3.00, the label has been renamed "Total Subordinate Financing" to provide a more accurate description of the additional financing on the property. There is no change to the LPA Response File specification. Data point UID 168.00 – Total Subordinate Financing Amount populates the value under this label.

Implementation Considerations - The following files are impacted by this change:

- *Feedback Certificate* - If your system uses the PDF version of the Feedback Certificate returned by LPA, no further action is required. However, if your system uses our stylesheets to render the Feedback Certificate from the Response File xml instance, you will need to update the stylesheets to receive these messages. We highly recommend taking advantage of the PDF Feedback Certificate instead of continuing to maintain the stylesheet files.



With LPA v5.3.00, you'll see "Total Subordinate Financing:"

Mortgage Details				
PRODUCT TYPE 30 Year Fixed	AMORTIZATION TYPE Fixed	AMORTIZATION MONTHS 360	LOAN AMOUNT \$130,000.00	INTEREST RATE 3.7500%
LOAN PURPOSE Purchase	PURCHASE PRICE \$220,500.00	ESTIMATED PROPERTY VALUE \$220,500.00	APPRAISED PROPERTY VALUE N/A	NUMBER OF UNITS 1
PROPERTY TYPE Site Built Detached	OCCUPANCY Primary Residence	REFINANCE TYPE N/A	CASH OUT AMOUNT N/A	NEW CONSTRUCTION N/A
INTEREST RATE BUYDOWN No	SALES CONCESSIONS N/A	ARM QUALIFYING RATE N/A	ARM QUALIFYING PITI N/A	LENDER SUBMITTED RESERVES \$100,000.00
AFFORDABLE SECOND N/A	TOTAL SUBORDINATE FINANCING \$10,000.00	HELOC BALANCE \$10,000.00	HELOC LIMIT AMOUNT \$20,000.00	

With LPA v5.2.00 and lower, you'll continue to see "Secondary Financing":

PRODUCT TYPE 30 Year Fixed	AMORTIZATION TYPE Fixed	AMORTIZATION MONTHS 360	LOAN AMOUNT \$296,000.00	INTEREST RATE 7.0000%
LOAN PURPOSE Purchase	PURCHASE PRICE \$395,010.00	ESTIMATED PROPERTY VALUE N/A	APPRAISED PROPERTY VALUE \$500,000.00	NUMBER OF UNITS 1
PROPERTY TYPE Site Built Attached	OCCUPANCY Primary Residence	REFINANCE TYPE N/A	CASH OUT AMOUNT N/A	NEW CONSTRUCTION N/A
OFFERING IDENTIFIER N/A	INTEREST RATE BUYDOWN No	SALES CONCESSIONS N/A	ARM QUALIFYING RATE N/A	ARM QUALIFYING PITI N/A
AFFORDABLE SECOND N/A	SECONDARY FINANCING N/A	HELOC BALANCE \$0.00	HELOC LIMIT AMOUNT \$0.00	LENDER SUBMITTED RESERVES N/A

NEW: Unit Designator Prefix to Address Unit Identifier

When the Address Unit Identifier data point is provided, LPA will append a unit designator of "#" to the beginning of the unit identifier value, eliminating the need for manual entry. The prefix "#" will also be displayed on the LPA Feedback Certificate. This is reflected in the Implementation Notes for the Address Unit Identifier UID 39.00 (subject property) and UID 328.00 (borrower residence).

Loan Details			
BORROWER NAME MOM FREDDIE 991-10-0011	APPRAISAL IDENTIFIER N/A	LENDER LOAN NUMBER CTE2LPA006	MORTGAGE TYPE Conventional
PROPERTY ADDRESS 7700 GEORGIA AVE NW #1 WASHINGTON, DC 20012		DOCUMENTATION LEVEL Streamlined Accept	

CORRECTION: Vendors for Third-Party Verification

The enumerations for UID 13.40-lpa:Verification Vendor Name (for asset verifications) were missing and have been restored as: "Blend | Finicity | FormFree | Plaid | PointServ."

The enumerations "BlendInsights" and "FormFree" have been added to UID 266.00-lpa:Data Provider Name (for income verifications).



ENHANCED: LPA v5.3 Response File Specification Documentation

To expand your understanding of the data you receive back from LPA in both the xml Response File and on the Feedback Certificate, we have added five new columns of information to tab 7 – v5.3.00 Response File Data Reqts. First, the cardinality of each container and an indication of when each data point will be returned help you structure the application receiving the response data. A “Context” column has been added to improve understanding of the data point’s meaning during file analysis and searches. Finally, two additional columns, LPA Feedback Certificate “Section” and “Label,” map Response File data points to the corresponding Feedback Certificate labels, eliminating any confusion about where the source data is in the xml file.

As usual, corrections have been made to the documentation itself, including typographical, cut and paste and presentation errors. These are itemized on the Revision Log tab.

