Loan Product Advisor℠ Feedback Message Cause and Resolution

This reference contains information about specific messages you may receive while using Loan Product Advisor. It offers clarification to assist you in determining and resolving issues in order to obtain a complete assessment. You may encounter two types of messages:

- **Processing Error Messages** - Messages received online when a Loan Product Advisor submission cannot be processed.
- **Feedback Messages** - Messages received on the Loan Product Advisor Full Feedback Certificate and the Documentation Checklist.

Feedback messages provide detailed information about the assessment of the loan application data. This information should be used to guide you in documenting and underwriting loans for sale to Freddie Mac. Loan Product Advisor is not designed to, and does not, furnish rationales or reasons for a lender's decision to originate (or not to originate) a loan. Therefore, you may not use Loan Product Advisor feedback messages in an adverse action notice as a substitute for your own assessment of a loan application and your own reasons for not originating a loan.

Message Locations

The following table includes types of messages presented in the Loan Product Advisor Results and the location of these messages. Examples of each message type are provided further below with the reasons or clarifications on why the message was received, and recommended actions to resolve issues.

Message Type	Message Location
Processing Errors	Messages provided while working online in Loan Product Advisor
Invalid Status Messages	Loan Product Advisor Invalid Messages page
Ineligible Status Messages	Loan Product Advisor Ineligible Messages page
Incomplete Status Messages	Loan Product Advisor Incomplete Messages page
Purchase Restriction	Loan Product Advisor Full Feedback Certificate
Credit Risk	Loan Product Advisor Full Feedback Certificate

Message Abbreviations

To provide the greatest guidance in a limited space, certain terms are abbreviated within Loan Product Advisor messages. The following table contains abbreviations used in the messages sent from Loan Product Advisor:

Abbreviation	Term	Abbreviation	Term
&	And	Invld	Invalid
>	Greater Than	Lft	Left
<	Less Than	Lndr	Lender
#	Number	LCE	Loss Coverage Estimate
2nd	Secondary	Loc	Location
2nds	Seconds	LTV	Loan-to-Value
Accept	Acceptable	Max	Maximum
Acct	Account	MI	Mortgage Insurance
Actn	Action	Min	Minimum
Add	Address	Mos	Months
Adtl	Additional	Msg	Message
Agri	Agricultural	MSP	Mortgage Service Provider
Alt	Alternate	Mtg	Mortgage
Am	Amortization	NCO	No Cash Out
Amt	Amount	NegAM	Negative Amortization
App	Application	NegAM	Negatively Amortizing
Appt	Appointment	N	No
Asesmt	Assessment	Opt	Option
Bal	Balance	Pd	Paid
Borr	Borrower	Ph	Phone
Bus	Business	Pmt	Payment
CA	California	Prem	Premium
Cert	Certificate	Pres	Present
Charac	Characteristics	Prm	Prime
Chngs	Changes	Prop	Property
Co	Company	Purch	Purchase
C/O	Cash Out	Refi	Refinance
Coll	Collateral	Reqd	Required
Comm	Commercial	Reqmt	Requirement
Comm	Communication	Resub	Resubmit
Comp	Completion	Revw	Review
Compr	Comprehensive	Rnd	Round
Condo	Condominium	Rqst	Request
Cov	Coverage	Rsrv	Reserves
Cncl	Cancel	S/E	Self Employed
Cncl	Cancellation	Sig	Significant
Cnty	County	Specs	Specifications
CRC	Credit Reporting Company	S/S	Seller/Servicer
Crdt	Credit	SSN	Social Security Number
Deliv	Delivery	Stat	Status
Desc	Description	Stmt	Statement
Doc	Document	Sub	Submit
Doc	Documentation	Subj	Subject
Dupl	Duplicate	Tele	Telephone
Emp	Employment	TLTV	Total Loan-to-Value
Emplmt	Employment	TPO	Third Party Originator
Est	Estimate	Trans	Transaction
Exp	Expenses	UPB	Unpaid Principle Balance
Fin	Finance	Updt	Update
Fin	Financing	URAR	Uniform Residential Appraisal Report
FM	Freddie Mac	U/W	Underwriting
Freq	Frequency	Verif	Verification
Habitbl	Habitable	VOE	Verification of Employment
ID	Identify	W/	With
Incmp	Incomplete	Y	Yes
Incorr	Incorrect	Yr	Year
Inelig	Ineligible	YTD P&L	Year-To-Date Profit and Loss
Info	Information		
Insp	Inspection		
Inv	Investment		

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Online Processing Errors

Correct Errors

Errors were detected in this loan application. Please correct all errors before submitting your request to Loan Product Advisor.

To correct errors, please select **Continue** to display the first page containing errors. Fields with errors will have a ✖ next to them. Select the field label to display help for that field. **Next** and **Previous** will automatically step you through the pages containing errors.

Loan data changes made in Loan Product Advisor must also be made in your system. Select **Send to Your System** in the left navigation bar to transfer loan data, or enter the loan data directly into your system.

Select **Help** on the Loan Product Advisor toolbar at the top of the page for more information on correcting errors.

CONTINUE

This table lists a sample of common *errors* by ascending code number as they appear both to a lender and a third-party originator. You may receive these errors online while you are working in Loan Product Advisor:

Code	Lender Message	Third-Party Originator Message	Potential Cause	Recommended Action
02	"Processing error **02** occurred on this application. Please re-submit. If error recurs, check the LP.com status line by calling 1-800-FREDDIE."	"Processing error **02** occurred on this application. Please re-submit. If error recurs, please contact your sponsoring Seller/Servicer."	• Selecting the 'Refresh' key while waiting for results • Communication error • Loan Product Advisor could be unavailable • No loan application number included with submission	• Do not select Refresh while waiting for results, unless necessary for your internal process • Be sure that a loan application number is included with submission
12	"Processing error **12**. Invalid Seller ID, TPO ID, or password. Verify and re-submit. If error recurs, please call 1-800-FREDDIE"	"Processing error **12**. Invalid TPO ID, sponsoring Seller ID, or password. Verify and resubmit. If error recurs, please contact your sponsoring Seller/Servicer."	Incorrect or invalid TPO number, Loan Product Advisor password or seller number	Check accuracy of TPO and Seller number as well as Loan Product Advisor password
20	"Processing error **20**. Invalid Seller/MSP relationship. Verify and re-submit. If error recurs, call 1-800- FREDDIE."	N/A	Seller does not have a relationship established with MSP/Contract Underwriting	Seller must notify MSP/Contract Underwriting who will then contact Freddie Mac setup department to establish relationship on our side
21	"Processing error **21**. Invalid Seller/TPO relationship. Verify and re-submit If error recurs, check the LP.com status line by calling 1-800-FREDDIE."	N/A	Broker not setup with Wholesale lender to verify relationship	Customer must register at URL provided by Wholesaler to sign up for Loan Product Advisor via a sponsoring wholesaler *Note* – Wholesale/Freddie Mac 6-digit Seller number will be required

Code	Lender Message	Third-Party Originator Message	Potential Cause	Recommended Action
LP53	Unable to process file. Invalid file format. Please correct and resubmit. If problem persists, contact your system administrator.	Unable to process file. Invalid file format. Please correct and resubmit. If problem persists, contact your system administrator.	Typically triggered for data validation errors: • Loan amount contains invalid amount • 401k does not match any element of enumeration • Invalid marital status· • Service request must contain merged credit (for FHA loans) • Borrower paid FHA/VA closing costs amount must be present under FHA/VA loan and must be greater than 0 • GSE Refinance Type of 'cash out other' requires cash out amount to be present • Loan amount contains an invalid character • Divorced is not a valid marital status • Detached is not a valid GSE property type in the REO section, but is valid in the loan features section • Mismatch between amortization term and balloon term	Contact your internal tech support, and/or the vendor support to validate the data in the request file. If you are unable to resolve, the XML request and response file should be sent to Loan Product Advisor Customer Service to review. Contact Customer Support (800-FREDDIE) for additional information.
LP60	Unable to process file. Invalid file format.	Unable to process file. Invalid file format.	Borrower does not match existing borrower.	Check the borrower name. Correct and resubmit.
LP61	Unable to process file. Invalid file format.	Unable to process file. Invalid file format.	Merged Credit Reference Number not valid with Reorder Credit Service.	Do not input merged credit reference number for the specific borrower if ordering Reorder Credit Service for that borrower.
LP62	Reorder Merged Credit is not available.	Reorder Merged Credit is not available.	Reorder Merged Credit Service is not available.	Do not choose merged credit for the Reorder Credit Service.
LP97	LP internal technical difficulties	LP internal technical difficulties	Typically triggered for data validation errors: • Merged credit code and merged credit specifications must be valid • Dates for Loan Scheduled Closing Date and Scheduled First Payment Date must be in the format of YYYYMMDD • For an ARM loan, must not have multiple adjustment types • Rescore request with LP AUS Key and no Loan Product Advisor LID • Fixed loan with ARM elements present • Environment is down (while this may indicate Loan Product Advisor is down, the more likely reason is a problem with the file being sent to Loan Product Advisor) • Incorrect payment on mortgage and incorrect remaining term entered • Loan Product Advisor Loan Identifier contains invalid data Typically triggered for **XML** errors: • Bracket character, '[' or ']', in name of employer • Ampersand (&) character in name description of asset or employer • Service Order Attribute "Order AUS" listed twice in request file • Doesn't match element of numeration (non-existing or mistyped attribute)	Contact your internal tech support, and/or the vendor support to validate the data in the request file. If you are unable to resolve, the XML request and response file should be sent to Loan Product Advisor Customer Service to review. Contact Customer Support (800-FREDDIE) for additional information.

Invalid Status Messages

Loan Product Advisor Invalid Messages

Merged credit request must include all borrowers   (2W)

Self-help tools and resources for this error can be found here: http://www.freddiemac.com/help/lpa/index.htm#determine_error_types.htm.

For live agent assistance, please click the following link for our Customer Service Center's contact information and hours of operation: https://las.fmrei.com/passch/contactus.html/.

INPUT DATA

BORROWER NAME	LOAN APP #	LOAN PROSPECTOR ID	TRANSACTION ID

LP AUS KEY	AUS TRANSACTION NUMBER

Some commonly seen feedback messages, listed in this table, may be returned from Loan Product Advisor with an **Invalid** status. These messages indicate why a transaction request could not be completed and would appear on a Loan Product Advisor Invalid Messages page.

Code	Invalid Status Messages	Clarification/Recommended Action
1E	'Reserves' must contain a $ amount = or > 0.	Liquid assets must be greater than amount required to close the transaction (down payment, closing costs and prepaids).
3C	'Total Debt' must include PITI.	Check your Liability and REO Breakdown data. Specifically check number of months remaining on non-revolving debts, as well as the subject property / current residence indicators in the breakdown.
3F	'Buydown Subsequent Adjustment Percentage' must be valid.	Check Buydown screen to ensure accurate information. Also refer to the product requirements provided in the Guide.
3G	'Buydown Contributor' must be a valid code.	Check Buydown screen to ensure accurate information. Also refer to the product requirements provided in the Guide.
3L	'Buydown Initial Adjustment Percentage' must be valid.	Check Buydown screen to ensure accurate information. Also refer to the product requirements provided in the Guide.
3U	'Total Debt' for inv. prop. must include pres housing exp.	The primary residence must be flagged as such in the REO Breakdown and must be matched with the corresponding mortgage.
3V	'Total Debt' for second homes must include all housing exp.	The primary residence must be flagged as such in the REO Breakdown and must be matched with the corresponding mortgage.
PE	'Total Occupant Debt' must include PITI.	For non-occupant borrowers, total debt must consist of proposed PITI on subject property, non-occupant housing debt (their primary residence) and other debt for all borrowers.

Ineligible Status Messages

Loan Product Advisor Ineligible Messages

Loan Type can be Conv. or FHA with Construction Conversion   (K4)

Self-help tools and resources for this error can be found here: http://www.freddiemac.com/help/lpa/index.htm#determine_error_types.htm.

For live agent assistance, please click the following link for our Customer Service Center's contact information and hours of operation: https://las.fmrei.com/passch/contactus.html/.

INPUT DATA

| BORROWER NAME | LOAN APP # | LOAN PROSPECTOR ID | TRANSACTION ID |

| LP AUS KEY | AUS TRANSACTION NUMBER |

This table lists some commonly seen messages that may be returned from Loan Product Advisor with an **Ineligible** status. These messages indicate why a transaction request is ineligible for Loan Product Advisor processing and would appear on a Loan Product Advisor Ineligible Messages page.

Code	Ineligible Status Messages	Clarification/Recommended Action
38	Occupancy must be Primary Residence for all Home Possible loans.	Check the occupancy type entered for the loan and update if needed. If the property will not be occupied as a primary residence, the loan is not eligible as a Home Possible Mortgage.
75	TLTV is higher than maximum limit.	Check accuracy of appraised value. If a refinance, verify that no purchase price is entered. Make sure seller allowable financing concessions are not showing as sales concessions.

Incomplete Status Messages

Loan Product Advisor Incomplete Messages

MERGED CREDIT ORDER*ERROR:INVALID ACCOUNT 070FM47343   (ME)

Self-help tools and resources for this error can be found here: http://www.freddiemac.com/help/lpa/index.htm#determine_error_types.htm.

For live agent assistance, please click the following link for our Customer Service Center's contact information and hours of operation: https://las.fmrei.com/passch/contactus.html/.

INPUT DATA

BORROWER NAME	LOAN APP #	LOAN PROSPECTOR ID	TRANSACTION ID

LP AUS KEY	AUS TRANSACTION NUMBER		

This table lists some commonly seen feedback messages that may be returned from Loan Product Advisor with an **Incomplete** status. These messages indicate why data problems prevented the transaction request from being completed and would appear on the Loan Product Advisor Incomplete Messages page.

Code	Incomplete Status Messages	Clarification/Recommended Action
11	No useable credit reports were received for borrower(s).	Confirm accuracy of borrower name and SSN. Borrower credit history may not be robust enough for Loan Product Advisor to assess the transaction.
21	Multiple disputed tradelines; loan not eligible for LP.	Confirm accuracy of accounts being disputed. If inaccurate should be corrected at repository level and rescored.
FF	S/E Borr w/out usable credit score - inelig for LP assmnt.	The transaction does not meet the criteria for Loan Product Advisor being able to assess with only one borrower having usable credit.
FG	For LP, >50% total inc reqd from Borr w/usable credit score.	The transaction does not meet the criteria for Loan Product Advisor being able to assess with only one borrower having usable credit.
FH	Unusable credit score - C/O refi inelig for LP assmnt.	The transaction does not meet the criteria for Loan Product Advisor being able to assess with only one borrower having usable credit.
FJ	Unusable credit score - prim residence reqd for LP assmnt.	The transaction does not meet the criteria for Loan Product Advisor being able to assess with only one borrower having usable credit.
FK	Unusable credit score - all must occupy prop for LP assmnt.	The transaction does not meet the criteria for Loan Product Advisor being able to assess with only one borrower having usable credit.
FL	Unusable credit score - # units must=1 for LP assmnt.	The transaction does not meet the criteria for Loan Product Advisor being able to assess with only one borrower having usable credit.
HM	LTV ratio must be between 11% and 125%.	FHA refinances require **Purpose of Refinance** as no cash out refinance, not streamlined. A streamlined purpose of refinance will trigger this error because no LTV will be calculated on the ineligible response.
ME	Merged Credit Error: ~CRC_ME~	Returned on CONV loans. Could be due to setup problem, data mismatch, etc.

Purchase Restriction Feedback Messages

This table lists some example feedback messages that may be returned and explains why a loan may be **ineligible for purchase** by Freddie Mac, or unacceptable for FHA insurance or VA guaranty. These messages appear on the Loan Product Advisor Full Feedback Certificate in the Purchase Restriction section.

Code	Purchase Restriction Messages	Clarification/Recommended Action
C5	The loan was submitted with an LTV ratio of [LTV Ratio Percent], which exceeds the maximum LTV ratio of 95% for a purchase transaction mortgage without secondary financing secured by a 1-unit primary residence.	Check the loan terms against your Freddie Mac purchase guidelines.
CH	The loan was submitted with a Debt-to-income ratio of [Total Debt Expense Ratio Percent], which exceeds the maximum allowable limit.	Check the loan terms against your Freddie Mac purchase guidelines.
N/A	Customer receives 'Accept', but Freddie Mac 'Ineligible' under purchase eligibility.	A common cause for this error is because the LTV or TLTV is over the limit that would normally be eligible for purchase for a standard Guide product. For more information, refer to the specific purchase restrictions (s) returned for that loan.

Credit Risk Messages

This table displays some commonly seen feedback messages focused on the highest **risk factors** of the loan to guide the underwriting analysis. These messages appear on the Loan Product Advisor Full Feedback Certificate in the Credit Information section, Credit Risk Comments subsection.

Code	Credit Risk Messages	Clarification/Recommended Action
14	A bankruptcy appears on the application.	Ensure your Declarations are accurate.
15	A foreclosure appears on the application.	Ensure your Declarations are accurate.