# Loan Prospector® Outreach November 23, 2014, Release -- Feedback Messages

| Message Category | Message Code | Original or Existing Message Text (if applicable) | New Message Text | Feedback Certificate & Error Page | Purpose |
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| **New Messages** | | | | | |
| LPN | NR | N/A | If the mortgage with a temporary subsidy buydown plan is subject to secondary financing, including an Affordable Second that requires repayment to begin before the due date of the 61st month under the Home Possible Mortgage, the secondary financing must have a fixed interest rate. | Feedback Certificate | New message will be returned when Home Possible and temporary subsidy buydown and secondary financing or HELOC > 0.00. |
| LPN | NS | N/A | Verify Client(s) has minimum 3% contribution (3% of value) from Client's personal funds in the transaction. | Feedback Certificate | Message created to return when Home Possible 2-4 unit purchase with 'LTV/TLTV/HTLTV > 80%'. |
| **Updated Messages** | | | | | |
| LPN | JC | Verify Client(s) has minimum 5% down payment (5% of value), from Client's personal funds in the transaction towards down payment, closing costs, financing costs or prepaids/escrows. | Verify Client(s) has minimum 5% contribution (5% of value) from Client's personal funds in the transaction. | Feedback Certificate | Message updated to return when Home Possible and Manufactured Homes Purchase with 'LTV/TLTV/HTLTV>80%'. Refer to Guide Bulletin 2014-18. |
| ELV | 41 | Product not eligible for Home Possible offering. | Same -- no change. | Error Page | Revised message trigger to no longer return when Home Possible and Construction Conversion as this is now allowed per revised policy. |
| ELV | 38 | Occupancy must be primary residence for all Home Possible loans. | Same -- no change. | Error Page | Will no longer be returned when Home Possible Neighborhood Solution since that offering is being retired. Will still apply to Home Possible. |
| ELV | 40 | Manufactured Home must = 1 unit for Home Possible/Home Possible Neighborhood Solution. | Number of units must = 1 when property is manufactured home. | Error Page | Remove reference to Home Possible Neighborhood Solution since that offering is being retired. Will still apply to Home Possible and manufactured homes. |
| INV | CK | Home Possible or Home Possible Neighborhood Solution offering identifier is not valid. | Same -- no change. | Error Page | Current Loan Prospector Outreach functionality allows the successful submission of only 2 remaining Home Possible offerings (OFF ID 241) and Home Possible Neighborhood Solution (OFF ID 243). This has been revised to align with the Affordable/Home Possible revisions in Guide Bulletin 2014-18 so that Home Possible Neighborhood Solution (OFF ID 243) when submitted also results in the return of an invalid message. |
| LPR | JW | Early delinquency counseling must be provided to the early delinquency counseling must be provided to the Client in the event of a delinquency per Freddie Mac Seller/Servicer guidelines. Seller/Servicer Guidelines. | Early delinquency counseling must be provided to the Client in the event of a delinquency per Freddie Mac Seller/Servicer Guide. | Feedback Certificate | Revised wording. Will still apply when Home Possible Mortgages. |
| PUR | DH | A Home Possible Mortgage with a temporary subsidy buydown must be secured by a 1-unit property. | A Home Possible Mortgage with a limited temporary subsidy buydown must be secured by a 1- to 2-unit property. | Feedback Certificate | Message edit updated to return when Home Possible and limited temporary subsidy buydown and number of units > 2. |
| PUR | DG | A Home Possible Mortgage with an extended temporary subsidy buydown must be secured by a 1- to 2-unit property. | A Home Possible Mortgage with an extended temporary subsidy buydown must be secured by a 1- to 2-unit property. | Feedback Certificate | Revised message to return when Home Possible and extended temporary subsidy buydown and number of units > 2. |

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| PUR | Y7 | HELOCs (Home Equity Lines of Credit) are not eligible for this loan program. | The loan was submitted with a Home Equity Total LTV Ratio Percent of [Home Equity LTV Ratio Percent] which exceeds the maximum Home Equity Total LTV Ratio Percent of 95% for a Home Possible Mortgage. | Feedback Certificate | Message edit updated to return when Home Possible and HELOCs greater than maximum HTLTV limit for this offering. |
| PUR | CH | The loan was submitted with a debt-to-income ratio of [total debt expense ratio percent], which exceeds the maximum allowable limit. | The loan was submitted with a debt-to-income ratio of [total debt expense ratio percent], which exceeds the maximum allowable limit. | Feedback Certificate | Revised message. Edit will return the existing PUR-DL message. |
| PUR | DL | A Home Possible Mortgage must be secured by a primary residence. | A Home Possible Mortgage must be secured by a primary residence | Feedback Certificate | Revised wording. Will still apply when Home Possible Mortgages. |
| LPR | NP | Documentation is required to evidence that any existing junior lien paid off from the proceeds of a no cash-out refinance must have been used in its entirety to acquire the subject property. If an existing junior lien not being paid off at closing, then the lien must be resubordinated and the file must contain evidence of he subordination. | N/A | Feedback Certificate | Revised message edit and text to return when Home Possible and Refinance and No Cash Out and Secondary Financing exists. |
| LPN | LC | The Lender must determine if an ARM with an initial period of 7 or 10 years is a higher priced covered transaction as defined in Regulation Z, 12 C.F.R. 1026.43(b)(HPCT). If the ARM is a HPCT with application received date on or after 1/10/14 the Client must be qualified at the greater of the note rate or the fully-indexed rate; the greater of the note rate or the fully indexed rate must be entered into the "Qualifying Rate" field. | The Lender must determine if an ARM with an initial period of 7 or 10 years is a higher-priced mortgage loan (HPML) or a higher priced covered transaction (HPCT). If the ARM is an HPML or an HPCT with an application received date on or after 1/10/14, the Client must be qualified at the greater of the note rate or the fully-indexed rate, the greater of the note rate or the fully-indexed rate must be entered into the "Qualifying Rate" field. | Feedback Certificate | |
| **Deleted Messages** | | | | | |
| ELV | 55 | New construction property type ineligible for Home Possible. | N/A | Error Page | See message ELV-41 above. Construction Conversions are now allowed for Home Possible offering. |
| ELV | 36 | Number of units must = 1 or 2 for Home Possible Neighborhood Solution. | N/A | Error Page | Removed since Home Possible Neighborhood Solution is being retired. |
| LPN | JD | Home Possible loan amount limited to outstanding unpaid principal balance of existing first mortgage rounded up to nearest $100 for 2-4 unit no cash out refinances. | N/A | Feedback Certificate | Removed as this requirement no longer applies to Home Possible Mortgages. |
| LPN | JF | 2-4 unit properties: If rental income is considered in qualifying the borrower, verify at least two months of reserves for Home Possible Mortgages. | N/A | Feedback Certificate | Removed as this requirement no longer applies to Home Possible Mortgages. |

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| LPR | JQ | All funds must be verified for Home Possible no cash out refinances. | N/A | Feedback Certificate | Removed since all funds must always be verified on all loans, not just Home Possible Mortgages. |
| PUR | DF | A Home Possible Mortgage must be secured by a primary residence. | N/A | Feedback Certificate | Removed message. Edit will return the existing PUR-DL message. |
| PUR | EP | Payoff of existing subordinate financing from proceeds of a Home Possible Mortgage secured by a 2- to 4-unit property is not permitted. | N/A | Feedback Certificate | Removed, as this requirement no longer applies to Home Possible Mortgages. |
| PUR | GP | Payoff of existing subordinate financing from proceeds of a Home Possible Neighborhood Solution Mortgage secured by a 2-unit property is not permitted. | N/A | Feedback Certificate | Removed since Home Possible Neighborhood Solution is being retired. |
| PUR | BB | A Home Possible Neighborhood Solution Mortgage requires a minimum of one month's reserves. | N/A | Feedback Certificate | Removed since Home Possible Neighborhood Solution is being retired. |
| PUR | GL | A Home Possible Neighborhood Solution Mortgage must be secured by a 1- to 2-unit property. | N/A | Feedback Certificate | Removed since Home Possible Neighborhood Solution is being retired. |
| PUR | DM | A Home Possible Neighborhood Solution Mortgage must be secured by a 1- to 2-unit property. | N/A | Feedback Certificate | Removed since Home Possible Neighborhood Solution is being retired. |
| PUR | DN | A Home Possible Neighborhood Solution Mortgage must be secured by a primary residence. | N/A | Feedback Certificate | Removed since Home Possible Neighborhood Solution is being retired. |
| PUR | BX | A Home Possible Neighborhood Solution Mortgage with a buydown term greater than 24 months but not greater than 36 months must have a subsequent adjustment percentage of less than or equal to 0.5%. | N/A | Feedback Certificate | Removed since Home Possible Neighborhood Solution is being retired. |
| PUR | GQ | A Home Possible Neighborhood Solution Mortgage requires a valid and complete property address. | N/A | Feedback Certificate | Removed since Home Possible Neighborhood Solution is being retired. |
| PUR | DK | A Home Possible Mortgage with a temporary subsidy buydown must not be secured by a manufactured home. | N/A | Feedback Certificate | Removed edit and message. Existing edit will return the existing PUR-EN message (a manufactured home mortgage must not have a temporary subsidy buydown plan). |
| PUR | EX | A Home Possible Mortgage must not also be a construction conversion or renovation mortgage. | N/A | Feedback Certificate | Removed edit and message when Home Possible and construction conversion. Now allowed for Home Possible Mortgages offering. |
| PUR | EJ | A Home Possible Mortgage must have a buydown term less than or equal to 24 months. | N/A | Feedback Certificate | Removed edit and message since both limited and extended temporary subsidy buydowns are allowed for Home Possible offering now. |