



## Loan Prospector® July 17 Release – Updates to Loan Prospector Feedback Messages

### Updates to Feedback Messages for Verification of Funds Changes Based on Guide Bulletin 2011-2

Based on credit and mortgage eligibility requirements announced in [Guide Bulletin 2011-2](#), we updated Loan Prospector to change when the following existing feedback messages are returned for all Loan Prospector submissions, including new submissions and resubmissions on or after July 17, 2011:

Message Code	Feedback Message
LPN G0	This loan was submitted with <i>{ \$asset type - depository }</i> in depository accounts (checking, savings and/or money market).
LPN G1	This loan was submitted with <i>{ \$reserves }</i> in reserves.
LPN G2	This loan was submitted with <i>{ \$asset type - gift funds }</i> in gift funds.
LPN G3	This loan was submitted with <i>{ \$asset type - stock }</i> in stocks and/or bonds.
LPN G4	This loan was submitted with <i>{ \$asset type - retirement }</i> in retirement accounts.
LPN G5	This loan was submitted with net proceeds of <i>{ \$asset type - sale of home }</i> from the sale of a home.
LPN YB	Retirement Accounts: Obtain most recent monthly statement. 70% of the vested amount minus any outstanding loans may be used as funds for closing and reserves submitted to LP. If the assets in the account are needed for closing, proof of liquidation must be provided in the mortgage file.
DOC CN	Depository, Stock and/or Bond Accounts: Obtain most recent statement(s) for each account to verify sufficient funds for closing and for amount of reserves submitted to LP. Proof of liquidation of non-liquid accounts is required if assets are needed for closing
DOC CP	Retirement Accounts: Obtain most recent 2 months statement. 70% of the vested amount minus any outstanding loans may be used as funds for closing and reserves submitted to LP, including asset qualification source. If the assets in the account are needed for closing, proof of liquidation must be provided in the mortgage file.
DOC CR	Life Insurance: Obtain most recent life insurance policy statements to verify reserves submitted to LP; also obtain evidence of liquidation if necessary to verify sufficient funds for closing.
DOC DS	Depository, Stock and/or Bond Accounts: Obtain most recent 2 months statements for each account to verify sufficient funds for closing and for amount of reserves submitted to LP. Proof of liquidation of non-liquid accounts is required if assets are needed for closing.
DOC G1	If ~NonEmplBorr~ receives income from sources other than employment or self-employment, including asset qualification source, document source of income with written verification of income such as award letter, pension statement, IRS 1099, or most recent year signed complete individual federal tax return and use verified income for qualification in accordance with the requirements in Chapter 37.
DOC X3	For Borrowers who receive income from commissions, dividends and interest, asset qualification source or capital gains; obtain signed complete individual federal tax returns for the most recent two year period. The income must have been received for the most recent two years and be likely to continue for the next three years.



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\*All corresponding messages for the documentation checklist in the Loan Prospector browser access method will also be updated with this release.

## Updates to Various Feedback Messages to Align with Recently Announced Requirement Changes Changes Based on Guide Bulletins 2011-7 and 2010-7

The following are revised feedback messages to align with requirement changes announced in recent Guide Bulletins (noted below). These feedback messages are effective for all Loan Prospector submissions, including new submissions and resubmissions, on or after July 17:

Message Code	Feedback Messages	Purpose	Related Guide Bulletins	Effective Dates
<b>Updated Feedback Messages (Revised text)</b>				
DOC 1M	Gift Funds Deposited: If gift funds have been deposited into the borrower's account at time of initial submission to Loan Prospector, list donor's name, address, phone #, relationship to borrower, subject property address and dollar amount of gift, \$~GiftFund~, in a gift letter signed by donor for each gift received.	Indicates when gift funds from a related person are used to qualify the borrower for the mortgage, the lender must obtain and maintain in the mortgage file a gift letter signed by the donor. This feedback message will apply to all Federal Housing Administration (FHA) loans.	<a href="#">Guide Bulletin 2011-7</a>	Effective for mortgages with Freddie Mac settlement dates on or after August 1, 2011.
DOC B8	Gift funds: List donor's name, address, phone #, relationship to borrower, subject property address and dollar amount of gift, ~GiftFund~, in a gift letter signed by donor for each gift received.	Indicates when gift funds from a related person are used to qualify the borrower for the mortgage, the lender must obtain and maintain in the mortgage file a gift letter signed by the donor, including the additional data required on the gift letter form. This feedback message will apply to conventional loans.	<a href="#">Guide Bulletin 2011-7</a>	Effective for mortgages with Freddie Mac settlement dates on or after August 1, 2011.
<b>Updated Feedback Messages (Updated when existing feedback message is returned)</b>				
LPR V7	This loan may be subject to an Indicator Score/Loan-to-Value ratio delivery fee.	Applicable based on the combination of LTV/TLTV/HTLTV ratios, Indicator Scores, and Offering Identifier 310 for Relief Refinance – Open Access. <a href="#">Reference Guide Exhibit 19 for more details.</a>	<a href="#">Guide Bulletin 2010-30</a>	Effective for mortgages with application dates on or after March 1, 2011, and for Freddie Mac settlements on or after July 1, 2011.

\*All corresponding messages for the documentation checklist in the Loan Prospector browser access method will also be updated with this release.



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**Updates to Feedback Messages for Home Possible® Mortgages**  
**Changes Based on Guide Bulletin 2011-4**

Based on our revised maximum LTV/TLTV/HTLTV ratio requirements announced in [Guide Bulletin 2011-4](#), beginning July 17, the following updated invalid feedback message are returned if Home Possible 3 percent Cash or Home Possible Neighborhood Solution 3 percent Cash Offering Identifiers are selected and submitted to Loan Prospector for both new and resubmission loans:

Message Code	Feedback Message
INV CK	Home Possible or HP NS Offering Identifier is not valid.

Loan Prospector will also suppress feedback messages previously returned for the following Home Possible Offering Identifiers:

- Home Possible 3 percent Cash (244)
- Home Possible Neighborhood Solution 3 percent Cash (245)

**Update: Freddie Mac Relief Refinance Mortgages – Open Access Feedback Message Not Implemented**

Please note: The following new Loan Prospector feedback message for Freddie Mac Relief Refinance Mortgages – Open Access was previously announced to be implemented on July 17, was not implemented as part of the release:

Message Code	Feedback Message
LPN ZW	No MI information found for this Relief-Refinance Open Access Mortgage.

We will provide a new implementation date for this feedback message soon.