

Loan Product Advisor[®] (LPASM) Feedback Message Updates



The following messages support policy updates in *Single-Family Seller/Service Guide* (Guide) [Bulletin 2023-18](#). All references to effective dates within this document are for the LPA message effective date.

Title Seasoning Requirement for Cash-out Refinance Mortgages Secured by a Manufactured Home

Effective September 15, 2023

For a cash-out refinance Mortgage secured by a Manufactured Home, the Borrower must have owned both the Manufactured Home and land for 12 months or more prior to the Note Date. For additional flexibility, we have reduced this requirement to allow for at least one Borrower to be on title to the subject property for at least 6 months prior to the Note Date for properties owned free and clear.

Message Code	Original or Existing text (if applicable)	New Message Text	Feedback Certificate, Error Page	Purpose
General Message Updates				
FGM0154	N/A	For a cash-out refinance using the proceeds to pay off a First Lien mortgage, obtain documentation, such as the credit report or title commitment, showing the note date of the first lien mortgage is at least 12 months before the note date of the cash-out mortgage. If the purpose of the cash-out refinance is to convert the separately owned land and the manufactured home into real property, seasoning requirements do not apply.	Feedback Certificate	New informational message to inform user of the updated title seasoning requirement.

Student Loan Payment Amounts and Documentation Requirements

Effective October 15, 2023

The Guide has been updated to specify that an amount greater than zero must be included in the monthly debt payment-to-income (DTI) ratio for all student loans, including loans in income-driven repayment plans. Additionally, when the monthly payment amount reported on the credit report is zero, we now permit the use of other documentation in the Mortgage file to determine the amount for inclusion in the monthly DTI ratio.

Message Code	Original or Existing text (if applicable)	New Message Text	Feedback Certificate, Error Page	Purpose
Data Quality and System Message Updates				
FCL0323	Installment debt(s) have been submitted with no payment. Include the payment and resubmit to Loan Product Advisor. If the credit report does not	For the installment debt with an Unpaid Balance of \$<<LiabilityUnpaidBalanceAmount>>, the Monthly Payment must be greater than \$0. If the credit report does not contain a payment, document the file with evidence of the monthly payment. For student loans, including those that are income-driven repayment	Feedback Certificate	Updated Informational message informing user that \$0 cannot be used



Message Code	Original or Existing text (if applicable)	New Message Text	Feedback Certificate, Error Page	Purpose
	contain a payment, document the file with evidence of the monthly payment. For student loans in repayment, deferment or forbearance use the credit report if the monthly payment is greater than zero. If the monthly payment is zero, use 0.5% of the outstanding balance to calculate the payment amount.	plans, if a payment greater than \$0 is not documented on the credit report or other file documentation, submit 0.5% of the outstanding balance as the Monthly Payment amount.		for a student loan payment.

