



Loan Product Advisor's Merged Credit Report Options

Best Practices

Loan Product Advisor's® flexible merged credit report options allow you to easily and more cost-effectively order or re-access merged credit reports provided by participating credit reporting companies (CRCs) or their technical affiliates. This feature gives you the added flexibility to use Loan Product Advisor in a way that works best for your business. Review these best practice tips to help you get the most out of using merged credit in Loan Product Advisor.

Using Merged Credit Options in Loan Product Advisor

• **Using Merged Credit Report Option in Loan Product Advisor** – Loan Product Advisor has a direct connection with participating CRCs, which is extended through their affiliates, to provide merged credit reports to Loan Product Advisor customers. To request merged credit through Loan Product Advisor, you must:

- Establish agreements with at least one CRC or their affiliated companies.
- Or update your existing CRC account with your Loan Product Advisor Seller or TPO number.

[Review How to Order Merged Credit reference document.](#)

• **Using Technical Affiliates in Loan Product Advisor** – The technical affiliates provide credit services through one of the direct CRCs that offer merged credit reports through Loan Product Advisor. [To establish an agreement with an affiliate, contact the company directly.](#)

Note: Currently only Equifax Mortgage Solutions (EMS) supports the technical affiliate program.

- The "Technical Affiliate Name" field provides you with a more effective way to request new merged credit, or use a previously obtained Merged Credit Reference Number (MCRN) from a technical affiliate.
- Located in the "Order Merged Credit" section on the "Request Services" page, the technical affiliate name field provides a drop-down menu, in alphabetical order, of the available technical affiliates supported by certain CRCs. When assessing initial submissions and resubmissions in Loan Product Advisor, be sure to follow these steps:

– **Initial Submissions** – Select the appropriate CRC to view the affiliate drop-down menu to request merged credit or to use an MCRN.

– **Resubmission** – Select the appropriate CRC to view the affiliate menu, if you already have an MCRN, include the MCRN from the previous submission when you resubmit. You may add a technical affiliate to a pipeline loan upon resubmission. Use this guidance for resubmission with the Reorder Credit Service also.

Merged Credit Reference Numbers

- The MCRN is a unique identifier created by the CRC when you order a merged credit report.
- Using MCRNs allows for more efficient processing of Loan Product Advisor re-submissions. Using the same MCRN from a previously completed transaction allows Loan Product Advisor to copy forward the existing credit. This reduces the potential of a CRC error, additional reissue fee, or even an inadvertent credit reorder with a full report fee that could impact the overall Loan Product Advisor assessment.
- Some CRCs have up to 16-digit (alphanumeric) MCRNs, so review the MCRNs carefully and enter the data as it is listed on the original merged credit report (excluding hyphens or special characters) to ensure success on the initial submission.

Avoid Merged Credit Errors

- **Verification of All Key Borrower Data to Ensure Consistency** – When ordering merged credit, it's important that you:
 - Submit accurate and complete key borrower data with the original report,

including the borrower's name(s) used to hold the title, Social Security number(s), and current addresses (and previous, if applicable).

- Use the same credit data accessed in the initial stages of the mortgage process and in the Loan Product Advisor assessment, in order to gain greater consistency and eliminate possible discrepancies.
- Verify all key borrower data you enter into Loan Product Advisor matches the key borrower data you used to obtain the original merged credit report. Loan Product Advisor currently has informative feedback messages that serve as red flags regarding invalid or mismatched data.

• **Merged Credit Error (ME) messages**

– "ME Error" messages occur when the identifying information submitted does not match the original record, and the CRC cannot validate the account information, or the CRC is experiencing technical issues. You will receive an ME message if critical data changes on resubmission, including a change in:

- Adding or removing borrower(s)
- Borrower order on joint merged credit report
- Joint merged credit report type indicator
- Borrower data (last name or Social Security number)
- MCRN mismatch
- Loan type (CONV or VA to FHA)
- Credit freshness expiration

- Be sure to review the data entered and ensure the information submitted, along with the MCRN, matches the original merged credit request type. Please contact your CRC for further resolution.



Loan Product Advisor Feedback Certificate

- **Loan Product Advisor Assessment Expiration Date** – The assessment expiration date provides you with the date the assessment will expire (120 days from the date credit was first obtained, including Mortgages for Newly Constructed Homes (MNCH) with conventional or 180 days for MNCH with VA or FHA).

Note: The date is calculated based on the original merged credit report date, and will be based on the oldest report date across all borrowers on the loan.
- **Credit Re-Access or Reordered Indicator Message** – Indicates if credit was successfully re-accessed (with either infiles or merged credit).
 - If a re-access or reordered message does not appear and merged credit or MCRN service was selected on the rescore, please check for any ME error message for more details.

Credit Preview Prior to Submission

- Previewing merged credit prior to submission in Loan Product Advisor allows for a more informed credit decision. This feature is beneficial to users who may not have a process to order merged credit outside of Loan Product Advisor, but may want to pre-qualify a borrower for a product and need to obtain all three FICO scores.
- You can easily resubmit the loan under the same LP Key Number and use the same credit to request AUS service and qualify for the reduced Loan Product Advisor assessment fee.
- This option allows you to obtain new credit and/or re-access existing credit using the borrower's MCRN, all within the same submission, for up to a total of five borrowers.

Reorder Credit Service

- **Reorder Credit Service** allows you to request fresh merged credit to be used in Loan Product Advisor for its assessment. This option gives you the ability to request that a transaction be assessed with new merged credit for your borrower.
- To use the Reorder Credit Service with merged credit or credit infiles, here are key factors to keep in mind:
 - Reorder Credit Service can be selected for one or more borrower(s) for each loan transaction.
 - If you request new credit by selecting Reorder Credit Service, and the new credit does not reflect expected updated credit, or has a negative impact on the overall Loan Product Advisor assessment, you will no longer have access to the original credit request.
 - MCRNs may not be used if you select the Reorder Credit Service option with merged credit. An error message will be returned if MCRNs are entered.
 - If you select a joint merged credit file for your borrowers and then change your request to use the Reorder Credit Service for a single merged credit file, the new credit will be reordered for both borrowers and returned as two individual reports.
 - You will need to check with your selected CRCs for the price and applicability of their merged credit fees. The fees may vary depending on which CRC is used, the number of borrowers selected, and whether single or joint merged credit is indicated.

Merged Credit With Mortgage Offerings

- **Construction Conversion and Renovation Mortgages** – To submit a loan using the New Construction option, the length of credit freshness is dependent upon the loan type selected in Loan Product Advisor. If you have 120 days of credit usage and are using Loan Product Advisor's Merged Credit Report Options, please follow these steps:
 - For conventional mortgages:
 - Loan Product Advisor may obtain new credit if any of the conditions listed under Merged Credit Error Messages occur, including credit that is greater than 120 days from the date of the original merged credit report.
 - Note:** the Newly Built option is no longer applicable for conventional mortgages and will be retired at a later date.
 - For FHA and VA mortgages:
 - FHA TOTAL Scorecard requires merged credit as the credit source.
 - To resubmit using either Newly Built or Construction Conversion (for FHA) or Newly Built (for VA), you should keep the same CRC (or technical affiliate, if applicable), critical borrower data, and submitting entity after the first 120 days to maintain the same credit data for 180 days.
 - Loan Product Advisor may obtain new credit if any of the conditions listed under Merged Credit Error Messages occur.
 - Note:** Currently, only EMS supports technical affiliate associations and requires you to select a technical affiliate and MCRN upon resubmission.