

Wednesday, June 5, 2024

Bulletin #2024-B-008

NOTICE TO BROKERS

Important Reminder Regarding LPA Estimated Property Values Procedure

FLC Bank would like to remind customers of Freddie Mac's new requirement we announced via FLC Bank Bulletin #2024-AC-010 on May 17, 2024, requiring Loan Originators/Lenders to have written procedures in place outlining the process when determining the estimated property value being entered in Loan Product Advisor (LPA) on Refinance transactions for the purposes of obtaining an ACE or ACE+PDR eligibility.

Note: FLC Bank does not accept ACE+PDR option issued by LPA.

In order to comply with Freddie Mac's new requirement (Freddie Mac [Bulletin 2024-1](#)), effective with new loans submitted to FLC Bank on or after June 6, 2024:

Loan Originators/Brokers exercising appraisal waivers (ACE) issued by LPA on refinance transaction must provide documentation confirming the method used to determine the estimated value entered in LPA at the time LPA issued the appraisal waiver (at the beginning of the loan process). Acceptable documentation may include but is not limited to the use of an AVM, or an online tool or website, or the use of the Borrower's estimated value.

The loan will be conditioned by the Underwriter if the documentation is not provided at loan submission.

If you have any questions, please contact your [Account Executive or Client Relations Representative](#).