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Agency LPA ACE Eligibility Revisions

Truist Bank (Truist) announces Freddie Mac Loan Product Advisor[®] (LPASM) guideline revisions related to automated collateral evaluation (ACE) eligibility. With these updates, we:

- align with Freddie Mac and remove ACE appraisal waiver eligibility for cash-out refinance transactions
- revise ACE guidelines to reflect that ACE+ Property Data Report (PDR) offers are not eligible at this time

Effective Dates

- The update related to removing ACE appraisal waiver eligibility for cash-out refinance transactions is effective for new LPA submissions on or after July 17, 2022.
- LPA will begin issuing messages for the new ACE+ PDR offer beginning July 17, 2022. Disregard these new messages at this time.

Background Information

Freddie Mac Bulletin 2022-6 and 2022-13 announced updates related to ACE eligibility. In response to this publication, we reviewed impacted guidelines and identified the need to implement revisions to more closely align with Freddie Mac requirements.

Bulletin Details

LPA ACE Eligibility Revisions

For LPA loans, we revise ACE guideline requirements as follows:

- We align with Freddie Mac and remove ACE appraisal waiver eligibility for cash-out refinance transactions.
- At this time, LPA transactions are not eligible for purchase by Truist with an ACE+ PDR offer (this applies to CorrAdvantage loans as well). Freddie Mac's new ACE+ PDR offer provides an additional option, in lieu of a full appraisal, for cash-out and certain "no cash-out" refinances when certain requirements are met. This is a new overlay.

Note: Truist is currently reviewing the ACE+ PDR offering and evaluating the opportunity and timeframe to offer.

Before and After Matrix

[Click here](#) to see the before and after matrix that provides a detailed overview of all guideline revisions.

Bulletin Details, continued

Revised Materials

Click [Agency Loan Programs](#), [CorrAdvantage](#), and [Agency Overlay Matrix](#) to review the revised product materials.

Former Guidelines

See the before and after matrix provided in the Bulletin Details section of this bulletin to access the former guidelines.

Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Contact Correspondent Relations Coordinators at 800.382.2111, Option 1.
Product Support	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact Product Support at 800.382.2111, option 3.

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