

Announcement # 22-45

Date: July 12, 2022

Freddie Mac Bulletin 2022-13

Pennymac is aligning with the Automated Collateral Evaluation (ACE) Waiver Eligibility Updates and the new offering, ACE+ PDR (property data report) originally announced in Freddie Mac Bulletin 2022-6 and then superseded by Freddie Mac Bulletin 2022-13.

ACE Appraisal Waiver Eligibility Update

Effective 7/17/2022, Freddie Mac cash-out refinances and certain “no cash-out” refinance transactions will no longer be eligible for ACE appraisal waivers. The below table reflects the updated requirements for ACE appraisal waivers.

ACE Appraisal Waiver Eligibility Update		
Loan Purpose	Occupancy Type	LTV/TLTV Ratios
Purchase	Primary or Second Home	80%
No Cash-Out Refinance		90%

ACE+ PDR

Effective for new LPA submissions on or after 7/17/2022, Freddie Mac is offering, ACE+ PDR which will allow cash-out refinances and certain “no-cash-out” refinance transactions without an appraisal.

With ACE+ PDR, additional property information is collected on-site by trained data collectors using the proprietary Freddie Mac PDR dataset, in lieu of a traditional appraisal.

Eligibility

- For a loan to be eligible for the ACE+ PDR option in lieu of an appraisal, The LPA submission request must receive a risk class of Accept and
- The last LPA feedback certificate must indicate the loan is eligible for a PDR.

- The following requirements must also be met to receive an ACE+ PDR offer:
 - Loan must be secured by a 1-unit Primary residence or second home, including units in a condominium project.
 - The loan must be a “no cash-out” or a cash-out refinance transaction
 - The loan must meet the maximum LTV/TLTV ratio requirements in the below table:

ACE+ PDR Eligibility		
Loan Purpose	Occupancy Type	LTV/TLTV Ratios
No Cash-Out Refinance	Primary or Second Home	90%
Cash-out Refinance	Primary Residence	70%
	Second Home	60%

ACE+ PDR Upgrade Requirements

In certain situations, the review of the PDR may indicate that the subject property has characteristics or conditions that require an upgrade to an appraisal.

For single-family homes, in lieu of upgrading to an appraisal on Form 70, *Uniform Residential Appraisal Report*, Freddie Mac will accept a hybrid appraisal reported on new Form 70H, *Uniform Residential Appraisal Report(Hybrid)* .

Please see Freddie Mac Bulletin 2022-13 for additional details and requirements.

Please contact your Sales Representative with any questions.