



FM Bulletin: 018-2023

Date: May 12, 2023

Subject: Additional updates to Freddie Mac Ace Eligibility – ACE+PDR Enhancements

We are pleased to announce Freddie Mac has included Member First Mortgage in a pilot program which will allow **more loans** to be available for the ACE+PDR option, instead of a full appraisal. This is an enhancement to the offering introduced by Freddie Mac last summer.

This enhancement is only available for MFM servicing retained loans and loans with servicing rights sold to SLS/CMC. It may not be used for loans sold to any other investors. In those cases, a full appraisal is required.

With ACE+PDR, additional property information is collected by trained data collectors and a Property Data Report (PDR) is provided in lieu of a traditional appraisal.

The PDR report must be uploaded into Freddie Mac’s API Database, which is taken care of by the Appraisal Management Company. **As with the original offering, PDR reports must be ordered through either Class Valuations or Incenture.**

The Freddie Mac Special Feature Code for this pilot program is “J45” (instead of J44 in the original offering). Below is what you will see on the LPA findings for loans available for this program. **Please make sure you review all LPA findings for this offering.**

Representation & Warranty Relief
COLLATERAL R&W RELIEF

ELIGIBLE Interior Exterior Inspection

Property and Appraisal Messages

CODE	MESSAGE
FPA0020	Loan is eligible for collateral representation and warranty relief with a property data report (ACE+ PDR) through 05/22/2023. The submitted value estimate or purchase price is accepted as the value of the subject property; therefore, an appraisal is not required and Seller will be relieved of representations and warranties related to value. The loan must be delivered with Investor Feature Identifier J45 in Loan Selling Advisor.
FPA0100	Loan is eligible for a property data report (ACE+ PDR). An Interior and exterior property data report (PDR) is the minimum assessment required for sale to Freddie Mac.
FPA0072	726,200.00 is the maximum loan limit allowed for a 1-unit property located in KALAMAZOO County, MI.
FPA0057	Address entered matched to: 534 ESPANOLA AVE, KALAMAZOO MI 49004 , Kalamazoo County. Please confirm accuracy.

For now, the Appraisal Waiver message in the LPA Summary will show “not eligible” instead of ACE+PDR for these pilot cases. MFM has submitted a request for Blue Sage to identify these under the LPA summary.

Credit Risk Classification: Accept

Purchase Eligibility: ELIGIBLE

Appraisal Waiver: **NotEligible**



As stated above, review the findings in the Property and Collateral section to see if the loan is eligible.

Thank you