

Wednesday, February 8, 2023

Bulletin #2023-AC-005

NOTICE TO ALL CUSTOMERS

Conventional Mortgages and Loan-Level Price Adjustments (LLPA) Waivers

Effective February 9, 2023, FLCBank is waiving Fannie Mae and Freddie Mac loan level price adjustments (LLPAs) on certain Conventional Mortgages at the direction of the GSEs per [Fannie Mae Lender Letter LL-2022-05](#) and [Freddie Mac Bulletin 2022-22](#).

Eligibility

1) First Time Homebuyers

- When at least one of the borrower(s) on the loan is a first-time homebuyer, and
- The Total Qualifying Income calculated by the Underwriter is \leq 100% of the Area Median Income (AMI) or for high-cost counties at or below 120% of the Area Median Income (AMI), and
- The purpose of the loan is to purchase a Primary Residence

2) The Property type is a Manufactured Home

- When the Total Qualifying Income calculated by the Underwriter is \leq 100% of the Area Median Income (AMI), and
- The purpose of the loan is for the borrower to either purchase or to do a Rate and Term Refinance of a Primary Residence

The Process

- **Loan Originator:** The loan originator is to make sure the information at the time of loan registration is accurate regarding the borrower being a first-time homebuyer and/or selecting the property type correctly when the type of property is a manufactured home.
- **FLC Bank:** The Underwriter will review the loan to determine the qualification of the loan to have LLPAs waived based on the applicable eligibility and will notify secondary via email to apply for the LLPA waiver.

To assist loan originators in identifying the AMI based on the property address, see the [Area Median Income Lookup Tool](#) (also referred to as the Loan Limit Geocoder). The high-cost areas have loan limits that exceed the baseline loan limits.

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

To access our most recently updated Temporary Policies Related to COVID-19 (version 48) please [click here](#).