

BROKER / WAREHOUSE LINES / NON-DELEGATED CORRESPONDENT

Wednesday, May 12, 2023 Bulletin #2023-B-007

NOTICE TO ALL BROKERS

Updates to the Closed-End Second Mortgages and HELOCs

Florida Capital Bank is updating certain requirements in the Closed-End Second and HELOC mortgage products.

The following changes are effective immediately regardless of loan lock status:

- Self-Employment Verification that the borrower's business is active: Lenders can now follow AUS timing requirement (the verification must be completed within 120 days prior to loan closing).
- Appraisal/Property Valuation:
 - Reduced the validity age of AVMs from 120 days to 60 days from loan closing date.
 - Increased the AVM's Confidence Score from 80 to \ge 90 and the forecasted standard deviation was reduced from 20% to a maximum deviation of 10%.
 - If the property is located in a PUD, an HOA statement confirming the monthly amount due along with evidence these fees are paid current is now required.

Please contact your Account Executive or Client Relations Representative if you have any questions.

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