

# BULLETIN



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BROKER / WAREHOUSE LINES / NON-DELEGATED CORRESPONDENT

Tuesday, July 22, 2025

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## NOTICE TO RETAIL LOAN ORIGINATORS

### Closed End Second and HELOC Second Mortgage Update

Effective immediately, FLCBank's Closed End Second and HELOC Mortgage guidelines are being updated to reflect the following changes to the **Cash Out refinance** loan purpose:

- Added seasoning requirement: If the subject property was purchased within 12 months from the loan application date:
  - The lower of the current appraised value, or the purchase price paid at the time of purchase plus any documented improvements made since the property's acquisition will be used to determine CLTV.
- Documented improvements such as signed improvement contracts and/or invoices may be added to the purchase price for CLTV purposes and the lower of this amount or the current appraised value will be used for CLTV purposes to give the borrower the benefit of funds placed into the property since purchase.
- Cash Out: The Borrowers will not be able to cash-out greater than their initial investment(s) within 12 months of ownership.

For full details, please log in to the FLCBank [Resource Center](#) to access the updated Guidelines