



MEMORANDIUM:

Date: April 24th, 2023
To: All Origination Departments; Wholesale Lending, Compliance
From: Robert Diaz, Managing Director Compliance & Licensing
RE: Appraisal TRID Justification Changes

As a result of the revised Wholesale Loan Submission previously communicated on April 3rd, 2023 in the [Wholesale Application Date General Announcement](#), the approval condition and verification process of TRID Appraisal Justification has been modified as described herein.

Summary of Changes:

1. Appraisal TRID Justification, specifically the **Broker Loan Estimate** and **Broker Intent to Proceed**, are no longer required and should not be included in the loan file.
2. Condition #4400 and #4411 have been revised to omit verbiage requesting documents listed in #1 and updated according to these changes.
3. Appraisal invoices are not required to be validated if appraisal was ordered prior to Acra application date.

Appraisal Validation

A. Valuations ordered prior to Acra submission date:

Appraisals and valuations that are completed prior to the submission to Acra Lending do not require TRID Justification to be provided. Invoice provided will not require validation. The fee will need to be removed from the Closing Disclosure ("CD") for the applicable appraisal provided prior to submission. It is presumed that the appraisal was ordered in a TRID compliant manner.

- i. The Broker is attesting to this if the Broker has signed the revised Wholesale Loan Submission Form.
- ii. If the Broker *did not* sign the wholesale submission form, a processor certification stating that the appraisal was ordered in a compliance manner to TRID will be required. Condition #4400 has been revised to reflect this requirement.



B. FAQ

1. What if the appraisal is completed after submission to Acra but before the Acra ITP is signed?
 - a. The appraisal is out of compliance.
 - b. Acceptable compliant appraisals:
 - Appraisals completed prior to submission date to Acra or;
 - Appraisal ordered and completed after Acra's ITP has been signed by the borrower.
2. What if the appraisal is ordered in Acra's name?
 - a. The appraisal can be accepted if there was a prior Acra transaction where the appraisal was ordered in a TRID compliant manner (resubmission).
 - b. Appraisals received prior to the submission date with Acra's name will be deemed out of compliance if there is no previous submission to Acra.
3. Can appraisals be ordered after the borrower has signed Acra's ITP?
 - a. There has been no change to this process. Appraisals ordered after borrower has signed the Acra ITP will be deemed compliant.
4. Can this new processor certification process be applied to loans currently in the pipeline that were submitted before 4/3/23?
 - a. Yes.
 - When the appraisal completed date is before the Acra submission date and the appraisal is not in Acra's name. A processor certification that states the appraisal was ordered within TRID compliance can be used to satisfy condition #4400.

Please contact to the Acra QC department with any questions on the above.

- Acra Compliance Team