



Policy Proposal

Policy Initiative Reduce turn times and demands on Underwriting and Valuation Teams by relieving specific files and employees for redundancy of second signs or easy to understand property valuations.

Second Sign Required?	Underwriter Seasoning	Loan Amount	LTV	Program
No*	>90 days with Acra	≤\$2.0M	≤80%	
Yes	<ul style="list-style-type: none"> Mandatory for first 90-days of employment with Acra Can retain requirement in discretion of Department Management if recurring concerns on guideline knowledge, continued mistakes, or recurring TPR findings. 	>\$2.0M** **Not to be confused with existing Policy that requires SM review of >\$2.0M loans when PTDs are signed off.	>80%	Complex files that may include as a non-exhaustive list: <ul style="list-style-type: none"> Hybrid Income; Foreign Nationals utilizing a Power of Attorney or LLC; Files with gift funds on investment properties; Non-Arm length transactions; OR Lease Option to Purchase loans.

If any of the triggers result in a “Yes” row above, then file must be second signed by Underwriting Department Team Lead.

*Consumer Loans will still have a Second Sign, but after all PTDs are cleared instead of at initial decisioning.

Valuation Review	AVM Estimate	Loan Amount	LTV	Property
Abbreviated Comparable Review	AVM results in a High Confidence result that is within 10% of proposed value	≤\$1.5M	≤75%	Generally common properties such as from a non-exhaustive list: <ul style="list-style-type: none"> Track Homes; Condominiums; OR Properties with Appraisal Comparables that have <10% Gross Adjustments.
In-Depth Review	AVM results in: <ul style="list-style-type: none"> Low Confidence result; Value is outside of 10% of proposed value; OR AVM is not available. 	>\$1.5M	>75%	Generally unique properties such as from a non-exhaustive list: <ul style="list-style-type: none"> Super- or Over-Improvements; Rural properties or those with excessive acreage; Unique properties; Properties with material deferred maintenance or below average condition; OR Properties in Non-Disclosure States.

“Proposed Value” is still otherwise consistent with Guidelines as, generally, the lesser of (i) purchase price or (ii) appraised value.

“Non-Disclosure States” include: AK, ID, KS, LA, MO (some counties), MS, MT, NM, ND, TX, UT, and WY.

Disclaimer: If new information materially impacts the underwriting decision, Acra reserves the right to halt, terminate or modify the rates, terms or programs without notice, revoke rate lock confirmations, or may cancel your application at any time, for any reason including but not limited to, interruptions to financial markets, loss or malfunctions of utilities, communications, computer (software and hardware) or labor, disasters, disease, epidemics, pandemics, government action or regulations, strike, riot, acts of terrorism, acts of war, acts of civil or military authority, acts of god, etcetera.