



Seller Guide Update



SEL-2023-021: HFA Advantage Mortgages and Desktop Appraisals

April 14, 2023

- Correspondent Lending
- Housing Finance Agency (HFA)

Summary

Underwriting/Delivery	
	Corr. Delegated
	Corr. Non-Delegated
	Corr. EZD
	Corr. Mandatory
X	HFA Delegated
X	HFA Non-Delegated
Products	
X	Conv. (Freddie)
	Conv. (Fannie)
	Conv. (Portfolio)
	FHA
	VA
	Rural Development

Effective Date: Immediately

As a reminder, [Freddie Mac Bulletin 2023-3](#) announced an expansion to Freddie Mac’s appraisal eligibility requirements ([Section 4501.6](#)) to allow lenders to obtain desktop appraisals for certain HFA Advantage mortgages that are purchase transactions. The use of a desktop appraisal may reduce processing times and appraisal costs associated with these transactions.

Based on the updated agency guidelines, lenders are permitted to use desktop appraisals with HFA Advantage mortgages as follows:

- Follow Automated Underwriting (AUS) Feedback
- As referenced on our Overlay Matrices and as a reminder, appraisal waivers (PIW/ACE) are not accepted regardless of AUS findings.

This enhancement may reduce appraisal costs for our Low-to-Moderate Income (LMI) borrowers, in addition to processing times.

Questions



HFA: Please contact the Housing Finance Agency Hotline at 800.562.5165, option 1 for the HFA Customer Care Team.

