

# Evaluating Your Appraisal

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Presented by:

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Mortgage Compliance Advisors

# Instructions

- Because of the large number of registrants, the lines will be muted.
- To ask a question, click the plus sign next to “Questions” on the GoToWebinar box and type your question.
- The panelists will address questions at the end of each topic. If your question is not addressed, we will email the answer to you.
- You can find today’s slides on our News & Resources page:
  - <http://www.mortgagecomplianceadvisors.com/index.php/news-resources#resources>



# Our Panelists

*We are fortunate to have with us today a panel of experienced mortgage professionals. They will be taking the time to answer your questions and provide insight from hands-on application.*

- Craig Christensen *MCA COO*
- Eric Christensen *Licensed Appraiser*
- Bob Warnock *MCA CEO*

*The information provided by Mortgage Compliance Advisors, LLC has been taken from various public resources and does not constitute legal advice.*



# Agenda

- Appraisal Basics
- Appraisal Form 1004
- Appraiser Independence Requirements



# What is an Appraisal?

- A factual, accurate and adequately supported decision of
  - Property condition
  - Surrounding neighborhood
  - Market trends
  - Market value of the property
- Big Question:
  - Does the property provide sufficient security/collateral for the mortgage loan?



# Lender's Responsibility

- *Lenders are solely accountable for the performance of the appraisers they select and must make all representations and warranties related to the appraisal and condition of the property.*
- *Underwriters bear primary responsibility for determining eligibility; however, the appraiser is the on-site representative for the lender and provides preliminary verification that the General Acceptability Criteria standards have been met.*



# Appraiser Responsibility

- Be licensed or certified by the state
- Have local market knowledge and experience
- Have access to data sources
- Examine and describe the property and neighborhood
- Report on property condition
- Provide and support opinion of market value
- Follow agency and USPSP guidelines



# Types of FNMA/FHLMC Appraisal Forms

- 1004 (Interior/Exterior) Uniform Residential Appraisal Report
- 2055 (Exterior Only) Property Inspection Report
- 1073 (Interior/Exterior) & 1075 (Exterior Only) Individual Condominium Unit Appraisal Report
- 2090 Interior (Interior/Exterior) & 2095 (Exterior Only) Individual Cooperative Interest Appraisal Report
- 1004C Manufactured Home Appraisal Report
- 1025 Small Residential Income Property Appraisal Report
- 2075 Property Inspection Report





# How long is an Appraisal Good For?

- Fannie and Freddie
  - Appraisal is acceptable for 1 year.
  - If older than 120 days, then update (Form 1004D) is required. Appraiser must inspect exterior and review market data to determine if property value has declined since last review.
- FHA
  - Appraisal is acceptable for 120 days.
  - If older than 120 days, you can recertify and extend for another 120 days.



# Required Exhibits

- Form 1004MC – Market Conditions Addendum
- Building sketch
- Calculation of gross living area
- Street map with location of properties used
- Photographs
- Photos of comparables



# Unacceptable Appraisal Practices

- Discriminatory and/or illegal practices
  - No references to race, color, religion, sex, etc.
  - No stereotypical or inappropriate comments (negative or positive)
    - Asian Community
    - High Crime Area
- Steering appraisal results
  - Altering the value in any way to meet a purpose other than issuing an acceptable appraisal.



# Unacceptable Appraisal Practices

- Inappropriate use or analysis of comparables
  - Use of vacant land
  - Excessive high or low adjustments
  - Suspect comparables
- Submitting incomplete reports
  - Failure to address negative factors



# Appraisal Form 1004



# Subject

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.				
Property Address		City	State      Zip Code	
Borrower		Owner of Public Record	County	
Legal Description				
S U B J E C T	Assessor's Parcel #		Tax Year      R.E. Taxes \$	
	Neighborhood Name		Map Reference      Census Tract	
	Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant		Special Assessments \$ <input type="checkbox"/> PUD      HOA \$ <input type="checkbox"/> per year <input type="checkbox"/> per month	
	Property Rights Appraised <input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)			
	Assignment Type <input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)			
	Lender/Client		Address	
	Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Report data source(s) used, offering price(s), and date(s).				

The subject section is used to identify and describe the location of the subject property.

- Check this information against your sales contract and information contained in your loan file.
- One of the most common mistakes is the legal description shown as the property address.



# Subject Red Flags

Seller not owner of public record

Appraisal dated before contract date

Significant appreciation in short time

No explanation of sales concessions

Excessive seller concessions

Wrong appraisal form used

Legal description is property address



# Contract

C O N T R A C T	<input type="checkbox"/> did <input type="checkbox"/> did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.		
	Contract Price \$	Date of Contract	Is the property seller the owner of public record? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s)
	Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, report the total dollar amount and describe the items to be paid.		

- This section will describe what is listed in the sales contract.
  - Make sure this information matches your purchase contract.
  - If contract information is not listed, look for remarks as to why.





# Contract Red Flags

Seller not owner of public record

Appraisal dated before sales contract date

Significant appreciation in short time

No explanation of sales concessions

Excessive seller concessions

Inconsistent with rest of report



# Neighborhood

Note: Race and the racial composition of the neighborhood are not appraisal factors.											
Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing		Present Land Use %	
N E I G H B O R H O O D	Location	<input type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit %
	Built-Up	<input type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage	<input type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit %
	Growth	<input type="checkbox"/> Rapid	<input type="checkbox"/> Stable	<input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths	<input type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	Low		Multi-Family %
	Neighborhood Boundaries								High		Commercial %
									Pred.		Other %
	Neighborhood Description										
Market Conditions (including support for the above conclusions)											

- This section describes the boundaries and market conditions of the neighborhood.
  - Look for consistency throughout this section.



# Neighborhood Red Flags

Subjective or vague descriptions

Environmental hazards

Degree of development

Lack of data sources

Comparables outside neighborhood boundaries

Price and age of property outside high or low values of neighborhood

Conclusions do not match Form 1004MC

No comments on adverse factors

Discrepancy of information



# Site

Dimensions		Area		Shape		View			
Specific Zoning Classification				Zoning Description					
Zoning Compliance <input type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)									
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe									
<b>S I T E</b>	<b>Utilities</b>	<b>Public</b>	<b>Other (describe)</b>	<b>Public</b>	<b>Other (describe)</b>	<b>Off-site Improvements—Type</b>	<b>Public</b>	<b>Private</b>	
	Electricity	<input type="checkbox"/>	<input type="checkbox"/>	Water	<input type="checkbox"/>	<input type="checkbox"/>	Street	<input type="checkbox"/>	<input type="checkbox"/>
	Gas	<input type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input type="checkbox"/>	<input type="checkbox"/>	Alley	<input type="checkbox"/>	<input type="checkbox"/>
	FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes	<input type="checkbox"/> No	FEMA Flood Zone	FEMA Map #		FEMA Map Date		
Are the utilities and off-site improvements typical for the market area? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe									
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe									

- This section will show if the appraiser has determined the property reflects the highest and best use of the site.
  - What is highest and best use?
  - It must be legal, financially feasible, physically possible, and provide more profit than other uses.



# Site Red Flags

Zoning is not residential
Improvements do not meet zoning requirements
Property in flood zone but no FEMA info
Atypical site with no explanation
Lack of year round access
Private alley or street with no description
Easement that may affect marketability with no explanation
No proof of marketability
Utilities and off-site improvements atypical for the market
Adverse site conditions or external factors not addressed accordingly



# Improvements

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls		Floors	
# of Stories	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls		Walls	
Type <input type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area sq. ft.	Roof Surface		Trim/Finish	
<input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish %	Gutters & Downspouts		Bath Floor	
Design (Style)	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type		Bath Wainscot	
Year Built	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated		Car Storage <input type="checkbox"/> None	
Effective Age (Yrs)	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens		<input type="checkbox"/> Driveway # of Cars	
Attic <input type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities <input type="checkbox"/> Woodstove(s) #		Driveway Surface	
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel	<input type="checkbox"/> Fireplace(s) # <input type="checkbox"/> Fence		<input type="checkbox"/> Garage # of Cars	
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck <input type="checkbox"/> Porch		<input type="checkbox"/> Carport # of Cars	
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool <input type="checkbox"/> Other		<input type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in	
Appliances <input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)					
Finished area above grade contains: Rooms Bedrooms Bath(s) Square Feet of Gross Living Area Above Grade					
Additional features (special energy efficient items, etc.)					
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).					
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe					
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe					

- This section will show analysis of the visible features of the property for conformity to the neighborhood, condition and marketability.
  - Pay close attention to the actual effective age. The relationship between actual age and effective age is a good reflection of property condition.
  - A well maintained property will have an effective age lower than the actual age.



# Improvements Red Flags

Maintenance versus condition not logical

No explanation for old actual age but young effective age

Has improvements that do not match comparables

Characteristics not like other similar-sized properties

Structural defects not curable

Need for repair cited

Property is over-improved

Property has livability issues

Photos do not match description

Inadequate explanation for issues noted



# Sales Comparison

There are		comparable properties currently offered for sale in the subject neighborhood ranging in price from \$						to \$			
There are		comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$						to \$			
FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3			
Address											
Proximity to Subject											
Sale Price	\$	\$			\$			\$			
Sale Price/Gross Liv. Area	\$ sq. ft.	\$ sq. ft.			\$ sq. ft.			\$ sq. ft.			
Data Source(s)											
Verification Source(s)											
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment		
Sale or Financing Concessions											
Date of Sale/Time											
Location											
Leasehold/Fee Simple											
Site											
View											
Design (Style)											
Quality of Construction											
Actual Age											
Condition											
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths			
Room Count											

- This section shows analysis of sold properties that are similar to the subject property.
- This is the most critical section of the appraisal, as this is where most of the information for value will arise.





# Sales Comparison Red Flags

Comps are over 1 mile from subject

Comps located out of neighborhood boundaries

Large adjustments with no explanation (over 15% net & 25% gross)

All positive or negative adjustments

Comps not of similar size or style

Adjustment for one line item on all comps

Adjustments reflect cost rather than market

Adjustments exceed agency guidelines

Location of comp misleading when viewed on map

Quality of construction, price per sq/ft, and room count is different from  
comps

Comps do not bracket subject property



# Sales Comparison- Sales History

<b>P R O C E D U R E</b>	<input type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain				
	My research <input type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.				
	Data source(s)				
	My research <input type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.				
	Data source(s)				
	Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).				
	ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
	Date of Prior Sale/Transfer				
	Price of Prior Sale/Transfer				
Data Source(s)					
Effective Date of Data Source(s)					
Analysis of prior sale or transfer history of the subject property and comparable sales					
Summary of Sales Comparison Approach					

- This section will show explanations of the sales history of the subject and comparables.
- Pay attention to the Summary. This is where the appraiser will list any explanations to support their conclusions.



# Sales Comparison – Sales History Red Flags

Conclusions have no support or explanation

Comp's values are changing at different rate  
from subject

No comments on sales and financing concessions



# Reconciliation

<b>RECONCILIATION</b>	Indicated Value by: Sales Comparison Approach \$	Cost Approach (if developed) \$	Income Approach (if developed) \$
	This appraisal is made <input type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:		
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ _____, as of _____, which is the date of inspection and the effective date of this appraisal.			

- This section is where the appraiser summarizes the findings and issues an opinion of value.
- Ensure the conclusions in this section are consistent with the rest of the report.



# Reconciliations Red Flags

Comments are inconsistent

'As is' checked but is new construction

'As is' checked but has poor conditions comments

'Subject to' checked but no follow up

Effective date is after ratification of contract

Date exceeds 120 days



# Cost Approach

COST APPROACH TO VALUE (not required by Fannie Mae)					
Provide adequate information for the lender/client to replicate the below cost figures and calculations.					
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)					
C O S T  A P P R O A C H	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW		OPINION OF SITE VALUE ..... = \$		
	Source of cost data		Dwelling	Sq. Ft. @ \$ ..... = \$	
	Quality rating from cost service      Effective date of cost data			Sq. Ft. @ \$ ..... = \$	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.)				
			Garage/Carport	Sq. Ft. @ \$ ..... = \$	
			Total Estimate of Cost-New ..... = \$		
			Less      Physical      Functional      External		
			Depreciation		= \$(      )
			Depreciated Cost of Improvements..... = \$		
			"As-is" Value of Site Improvements..... = \$		
Estimated Remaining Economic Life (HUD and VA only)		Years	Indicated Value By Cost Approach ..... = \$		

- This section bases value on the cost of replacing the home.
- FNMA, FHLMC, and FHA do not require (except for Manufactured and when requested).



# Cost Approach Red Flags

Excessively high estimated reproduction cost

No adjustments for depreciation

Undocumented or vague sources for costs



# Income Approach

I N C O M E	INCOME APPROACH TO VALUE (not required by Fannie Mae)		
	Estimated Monthly Market Rent \$	X Gross Rent Multiplier	= \$ Indicated Value by Income Approach
	Summary of Income Approach (including support for market rent and GRM)		

- In this section, the appraiser analyzes the value based on rental income the property may generate.
- Generally only required on investment properties.

Red Flags:

Lack of rental properties that are truly comparable





# PUD Information

PROJECT INFORMATION FOR PUDs (if applicable)		
Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> Attached		
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.		
P U D  I N F O R M A T I O N	Legal name of project	
	Total number of phases	Total number of units
	Total number of units sold	
	Total number of units rented	Total number of units for sale
	Data source(s)	
	Was the project created by the conversion of an existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion	
	Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data source(s)	
	Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion.	
	Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options.	
Describe common elements and recreational facilities		

- This section provides information on the PUD project, if applicable.
- Ensure this section is complete, as it will have an effect on value.

# Appraiser Certification

APPRAISER	SUPERVISORY APPRAISER (ONLY IF REQUIRED)
Signature _____	Signature _____
Name _____	Name _____
Company Name _____	Company Name _____
Company Address _____	Company Address _____
Telephone Number _____	Telephone Number _____
Email Address _____	Email Address _____
Date of Signature and Report _____	Date of Signature _____
Effective Date of Appraisal _____	State Certification # _____
State Certification # _____	or State License # _____
or State License # _____	State _____
or Other (describe) _____ State # _____	Expiration Date of Certification or License _____
State _____	
Expiration Date of Certification or License _____	
ADDRESS OF PROPERTY APPRAISED	
_____	<input type="checkbox"/> Did not inspect subject property
_____	<input type="checkbox"/> Did inspect exterior of subject property from street
APPRAISED VALUE OF SUBJECT PROPERTY \$ _____	Date of Inspection _____
LENDER/CLIENT	<input type="checkbox"/> Did inspect interior and exterior of subject property
Name _____	Date of Inspection _____
Company Name _____	COMPARABLE SALES
Company Address _____	<input type="checkbox"/> Did not inspect exterior of comparable sales from street
Email Address _____	<input type="checkbox"/> Did inspect exterior of comparable sales from street
	Date of Inspection _____

- This section is where the appraiser certifies and signs the appraisal.
- This section must be complete and not altered.



# Appraiser Certification Red Flags

Appraiser lacks experience in market

Appraiser lacks experience in evaluating property type

No license information listed

Date of appraisal compared to date on note is out of agency compliance



# Top 10 Preventable Appraisal Issues

1. Overall layering of risk when weak collateral, credit or capacity
2. Use of inappropriate comparable sales
3. Comparables not provided outside developer's control
4. Comparables with inappropriate adjustments
5. Inaccurate data
6. Inconsistent information
7. Insufficient documentation
8. Incorrect form used
9. Report not reconciled or validated
10. Report expired



# Appraiser Independence Requirements

- On October 15, 2010 Fannie Mae and Freddie Mac replaced HVCC with Appraisal Independence Regulations (AIR).
  - AIR maintains the spirit of HVCC and is essentially the same regulation with a different name.
  - AIR removed the QC requirement, as it should be part of your company's current QC plan.



# Highlights of AIR

## Section I – Appraiser Independence Safeguards

- Appraiser at a minimum must be licensed or certified in the state the property is appraised.
- No employee, director, officer, or agent of the company or any other third party, etc., shall attempt to influence the result of the appraisal.



# Highlights of AIR

## Section II – Subsequent Appraisals

- Company may not order a second appraisal
  - Unless the current appraisal is flawed
  - Is in accordance with pre-established guidelines

## Section III – Borrower Receipt of Appraisal

- Company shall provide copy of appraisal to borrower at no charge, no less than 3 days prior to closing.
  - Borrower may waive this right



# Highlights of AIR

## Section IV – Appraiser Engagement

- There must be a separation of production and appraisal functions.
- Production staff may not order or have substantive communications with an appraiser or AMC regarding appraisal value.





# Highlights of AIR

## Section V - Use of In-House or Affiliated Appraisers

- In-house and affiliated appraisers are allowed.

## Section VI – Transfer of Appraisals

- Companies are allowed to transfer appraisals. However, the new company must rep and warrant the appraisal adheres to AIR.



# Highlights of AIR

## Section VII – Referrals of Appraisal Misconduct

- If company believes an appraiser or AMC is violating laws or being unethical, they will be reported to proper regulatory bodies.

## Section VIII - Compliance

- Companies must have written policies and procedures on AIR.



# Appraiser Independence Requirements

- **Q:** Can the underwriter talk to the appraiser?
- **A:** The appraiser is to discuss the appraisal only with the DE Underwriter who is responsible for the quality of the appraisal report. Only the underwriter is allowed to request clarifications and discuss with the appraiser components of the appraisal that influence its quality.



# Resources

## Fannie Mae

- Appraisal Underwriting
  - Selling Guide 2011 Part B, Subpart B
    - <https://www.efanniemae.com/sf/guides/ssg/sg/pdf/sel033111.pdf>
  - Underwriting Appraisals Webinar
    - <https://www.efanniemae.com/lc/ou/websem/index.jsp#>
  
- Appraiser Independence Requirements
  - <https://www.efanniemae.com/sf/guides/ssg/relatedsellinginfo/appcode/>
  - Appraiser Independence Requirements FAQ
    - <https://www.efanniemae.com/sf/guides/ssg/relatedsellinginfo/appcode/pdf/airfaqs.pdf>



# Resources

## Freddie Mac

- Appraisal Underwriting
  - Seller/ Servicer Guide Volume 1 Chapter 39-45
  - Collateral Assessment Webinar
    - [http://www.freddie.mac.com/ontrack/html/LearningCenter/ClassDescription.jsp?crsNum=CAR\\_WC](http://www.freddie.mac.com/ontrack/html/LearningCenter/ClassDescription.jsp?crsNum=CAR_WC)
- Appraiser Independence Requirements
  - [http://www.freddie.mac.com/singlefamily/appraiser\\_independence.html](http://www.freddie.mac.com/singlefamily/appraiser_independence.html)



# Resources

## FHA

- Appraisal Underwriting

- Housing Handbook 4150-2

- [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/handbooks/hsgb/4150.2](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgb/4150.2)

- Underwriting the FHA Appraisal Webinar

- [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/talk/parc/phiarch](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/talk/parc/phiarch)

- Appraiser Independence Requirements

- Mortgagee Letter 09-28

- <http://www.hud.gov/offices/adm/hudclips/letters/mortgagee/files/09-28ml.pdf>



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- Pre-Funding Reviews
- QC Plan Implementation
- Red Flag Policies
- Training and Consulting
- Agency Approval
- LO Compensation Policies
- Etc.

# Contact Information

- We will be answering a few of your questions in just a moment. Questions not addressed at this time will be emailed directly to you, as well as answered in our next newsletter. You are also welcome to contact us at any time:

## **Mortgage Compliance Advisors, LLC**

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- **Support (Current Clients):** (801) 649-6038
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# Questions & Answers

You can find today's slides on our News & Resources page:

<http://www.mortgagecomplianceadvisors.com/index.php/news-resources#resources>



# Thank You!

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