

To: **MLS Brokers, Managers, Agents and Appraisers**

Subject: **Requirement of All Appraisers to Submit Appraisals under a New Standardized Format**

PLEASE READ THIS! This may / will impact all appraisals nationwide.

Effective September 1, 2011, for all Fannie Mae and Freddie Mac property, and **effective January 1, 2012**, for all FHA property, any appraisal completed by an appraiser **MUST** follow the Uniform Appraisal Dataset (UAD) format and all the required UAD forms **MUST** be filled out completely and accurately for the appraisal to be accepted.

Why is this important to you? The appraiser will be required to collect information on any improvements made to the subject property and the completion date of each. Without this information, there **MAY** be delays in processing the appraisal or discrepancies in the valuation.

Background: The UAD is the result of collaboration between the Government Sponsored Enterprises (GSEs), Fannie Mae and Freddie Mac, at the direction of the Federal Housing Finance Agency (FHFA) to standardize data reporting quality and improve the collection of electronic appraisal data under the Uniform Mortgage Data Program (UMDP). This standardization has changed the way appraisers are required to complete the industry standard forms.

The UCDP (Uniform Collateral Data Portal) is a web application that will enable lenders to submit appraisal report forms electronically.

The ULDD (Uniform Loan Delivery Dataset) is a standardization of loan data that will leverage the use of MISMO (Mortgage Industry Standards Maintenance Organization) in delivering loan data electronically.

In an effort to enhance appraisal data quality and consistency and to promote the collection of electronic appraisal data, the GSEs have developed the UAD to standardize the input values for certain data elements.

For example: a) Specific dates b) Dollar amounts c) Property condition d) Quality of construction

Fannie Mae and Freddie Mac have modified the Uniform Residential Appraisal Report and the Individual Condominium Unit Appraisal Report forms, which are forms currently required by FHA, to include UAD requirements. Appraisal software vendors have also incorporated the UAD requirements into their form software that is currently available on an industry wide basis. Information that was never explicitly required in the GSE's appraisal reporting forms before includes:

- a) Days on market for the subject property and each comparable sale
- b) Updating or repairs to kitchen and bathrooms in the subject property and their completion dates
- c) Sale type for the subject property and each comparable sale

Effective September 1, 2011, all appraisers are required to provide adequate explanations in the addendum of the reporting form regarding methodology, anomalies, property deficiencies and other conditions that may have an impact upon the value of a property and its marketability.

What can you do to help? The OCAP (Ohio Coalition of Appraisal Professionals) is asking the assistance of all real estate professionals in the collection of information required of the appraisers to complete the appraisal timely and completely. Your assistance will help to avoid any appraisal delays or possible property value discrepancies.

OCAP has created an initial, 1-page form ([click here for a copy](#)) **to be filled out by the seller.** You are asked to provide a copy of this form to your sellers, preferably at the time of listing the property, and ask them to fill it out as completely as possible. When contacted to do an appraisal, the appraiser may ask for a copy of this form. If not completed, the appraiser will need to contact the seller and ask a number of questions that need to be answered at that time. Having to contact the seller may only delay the submission of a completed appraisal.

To help answer any questions, feel free to review the following website: (www.efanniemae.com/sf/lqi/umdp/)

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