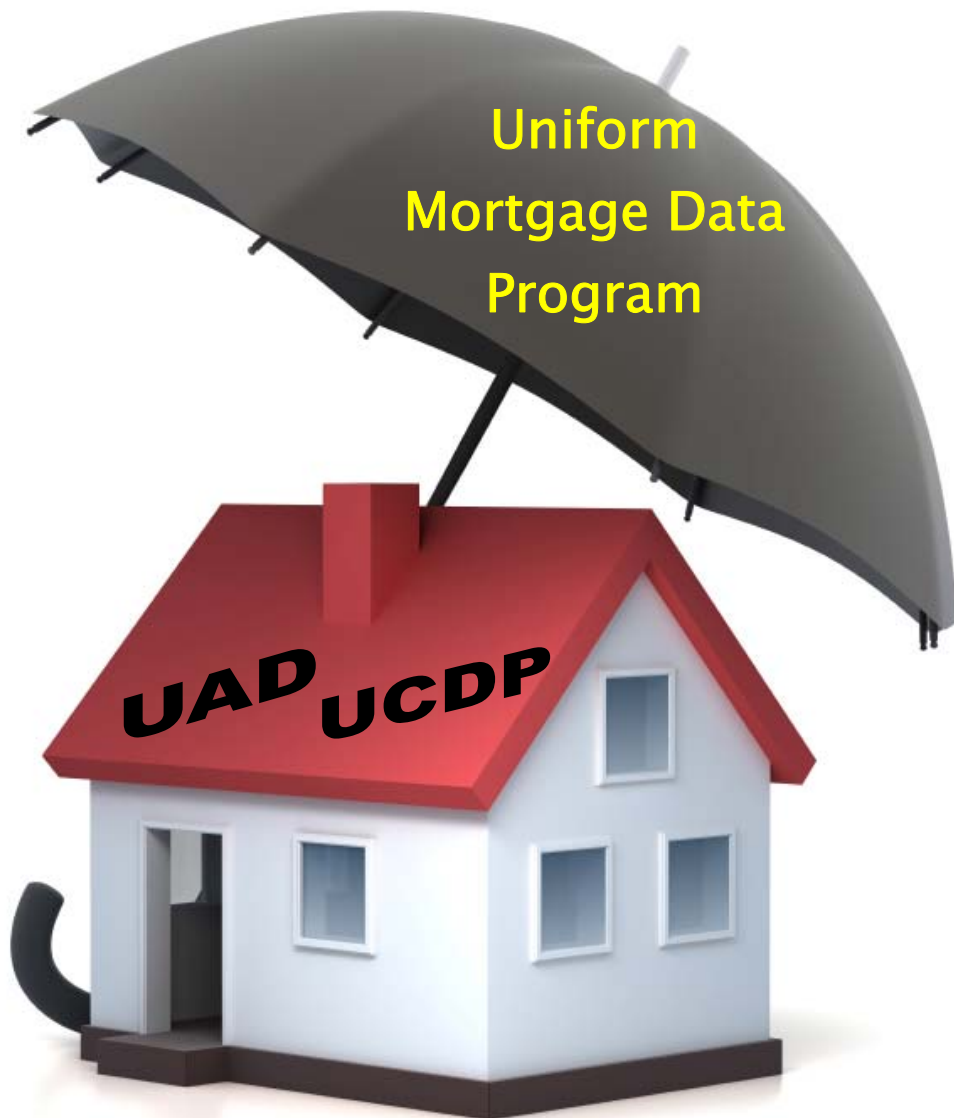


Appraisal Institute

The Fannie Mae & Freddie Mac Appraisal Data Program

Spring Conference



Sponsored by Appraisal Institute
Developed/Presented by Rich Heyn and Dawn Molitor-Gennrich

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The new Fannie Mae and Freddie Mac Appraisal Data Program

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Introduction

The handout covers the information presented at the Northern California Spring Conference related to the Fannie Mae and Freddie Mac "loan quality initiative" that calls for a number of significant changes in the way you will communicate and deliver your appraisal reports going forward. The two-hour program was designed to give you a "heads up" on how these changes will affect your appraisal practice. You should now understand the concepts and objectives of:

- *Uniform Mortgage Data Program (UMDP)*
- *Uniform Collateral Data Portal (UCDP)*
- *Uniform Appraisal Dataset (UAD)*
- *MISMO-XML File Format (MISMO)*

The Uniform Mortgage Data Program (UMDP) is a joint effort by Fannie Mae and Freddie Mac (the GSEs) to standardize and improve data quality in a manner that benefits the entire mortgage industry. To enhance appraisal data quality and consistency and promote the collection of electronic appraisal data the GSEs have developed, as part of the UMDP, the Uniform Appraisal Dataset (UAD) and the Uniform Collateral Data Portal (UCDP).

Overview

Program Description

This program is designed for residential appraisers who are involved in mortgage lending appraisals. The objective is to help you clearly understand what new obligations will be required to effectively complete and transmit an appraisal report to a lender client under the new Uniform Mortgage Data Program.

The program was divided into two parts. Part A describes the key initiative, the Uniform Mortgage Data Program and its two appraisal-related programs. In an effort to enhance appraisal data quality and consistency and promote the collection of electronic appraisal data both GSEs, as part of the UMDP, have developed the Uniform Appraisal Dataset (UAD) and the Uniform Collateral Data Portal (UCDP). Of the two, the UAD has the greatest impact on residential appraisers who communicate and report their appraisal results on pre-defined forms for mortgage lenders.

The UAD includes all fields required for a complete appraisal and standardized definitions, acronyms, and responses for a key subset of fields. To further enhance your understanding of the UAD, six illustrations of key standardized elements are discussed in Part B.

There should be no mistake after attending the program that if you are involved in appraisals for mortgage lending, the new UMDP lending initiative will affect you and how you report your assignments results.

Part A

Part A provides a discussion of the Uniform Mortgage Data Program developed by Fannie Mae and Freddie Mac. This is the key lending initiative from which all other programs in the initiative originate. So understanding why the UMDP was developed and the concepts behind it provides a basis for understanding the other two programs specific to residential appraisers.

Learning Objectives

The learning objectives are:

- Identify the different names and acronyms associated with the new lending initiative, the Uniform Mortgage Data Program (UMDP).
- Recognize the rationale behind the new Uniform Appraisal Dataset (UAD).
- Recognize how the new UMDP initiative creates a need for common data standards, known as the Uniform Collateral Data Portal (UCDP); and, how a data standard called MISMO-XML fits into the picture.

Part A

Uniform Mortgage Data Program

Introduction

I. What is the UMDP, ULDD, UAD, UCDP?

The Uniform Mortgage Data Program (UMDP) initiative has a number of components that are referred to by using different acronyms, so first let's sort out the "alphabet soup" and then focus on the two components that have the most significant ramifications for appraisers.

The general "umbrella" that covers the initiative is known as the Uniform Mortgage Data Program, or UMDP. Under the UMDP are two requirements that specifically deal with the appraisal report: the Uniform Appraisal Dataset (UAD) and the Uniform Collateral Data Portal (UCDP). The objective of the Uniform Appraisal Dataset is to bring more standardization and uniformity to the data reported by appraisers. The Uniform Collateral Data Portal is the mechanism by which appraisal reports will be electronically transmitted to the GSEs.

What is the Uniform Loan Delivery Dataset (ULDD)?

The Uniform Loan Delivery Dataset identifies the data points required for all loan types delivered to either GSE.

To provide some perspective and ensure you don't feel "singled out" as an appraiser, understand that the Uniform Mortgage Data Program also imposes new requirements for lenders as well. In addition to the Uniform Appraisal Dataset and the Uniform Collateral Data Portal, the UMDP includes the Uniform Loan Delivery Dataset or ULDD for lenders.

II. Rationale for the UMDP

The Uniform Mortgage Data Program

Question: Why did Fannie Mae and Freddie Mac institute the new UMDP?

Answer: To better identify the data the GSEs receive related in a loan portfolio purchase and to recognize the characteristics of good loans versus bad loans. Another way of saying this, in the words of Fannie Mae and Freddie Mac is "to improve overall loan quality."

The Uniform Mortgage Data Program is a long-term, joint effort by the two GSEs that has two goals that affect appraisers: To create improved and uniform 1) appraisal data standards and the 2) appraisal data collection processes.

III. Past – Reporting of an Appraisal

Introduction

The Data Portal will affect how appraisal reports will be communicated and transmitted to a client; therefore, a brief historical review was provided in the presentation.

The point of the historical review is that the majority of loans are no longer “local” and maintained in the loan portfolio and appraisal reports are seldom sent to the client by mail or hand-delivered today. The current haphazard methods used to handle the ordering, transmission and communication of appraisal reports from the appraiser to the lender, and then from the lender to either Fannie Mae or Freddie Mac aren’t facilitating these new objectives of the GSEs. This is why the GSEs created the Uniform Appraisal Dataset and the Uniform Collateral Data Portal; to standardize the terminology and transmission of appraisal reports.

IV. Current – Reporting of an Appraisal

Most appraisal data related to the subject property is still gathered on a clipboard and paper, although more appraisers are using portable devices. But after the field data is gathered, things begin to change dramatically from the “good old days.”

The majority of appraisers use computer technology to obtain the additional data needed for the development process and create the report as the analysis takes place. The computer stores the report as a data file in a digital format. The data file is in the proprietary format of the appraisal forms software vendor.

In other words, the format in which the data appears to the eye, the appraisal form, may be standardized; however, the format in which the data itself is stored is not. This is a significant issue as it more clearly explains why the GSEs have developed a new requirement as part of the UMDP, the Uniform Collateral Data Portal (UCDP), for transmitting appraisal reports to your lender clients.

In many cases, the exchange of appraisal report data is hampered by the lack of a standardized data file format. Depending on the needs/wishes of various clients, an appraiser who prepares a report using software from Vendor B may have to use a separate program from Vendor A to convert the data into a format of a client's choice. Typically, this is because a client is using a "Rules Set" that is compatible with a given software vendors proprietary data format.

What is a Rules Set?

A Rules Set is a computer program that checks an appraisal report for completeness and consistency. Automated “rules” for appraisal reports go back about 25 years.

V. Today – The GSEs and Loan Origination

Question: Where do Fannie Mae and Freddie Mac fit into the origination process today?

Answer: Fannie Mae and Freddie Mac each have their own *Guide*, which outlines the policies, procedures and requirements for lenders who wish to sell mortgage loans to either entity.

Question: Today, does Fannie Mae or Freddie Mac review each loan portfolio before they purchase it? Answer: As noted earlier, no.

Historically, Fannie Mae and Freddie Mac wait on the sideline and don't get into the game until the loan is closed, and only then, if the loan goes bad, or "turns nonperforming" to use their terminology. In that latter case, the GSE will then take a hard look at the loan file to see if the lender has played by their rules, their *Guides*. If not, they can force the lender to repurchase the loan.

VI. Future – The GSEs and Loan Origination

Under the new lending UMDP initiative, Fannie Mae and Freddie Mac have a new game strategy that includes getting involved right from the start. They want the opportunity to have a "look" at every appraisal report prior to the loan being purchased from the lender/client and to gather and analyze the data from the appraisal report.

This represents a major shift in their strategy and the ramifications of that shift are going to change the game dramatically for residential appraisers.

NOTE: To be clear, this "look" by Fannie Mae and Freddie Mac will occur before or at the time the loan portfolio is purchased, not at the time the loan file is closed with the borrower and lender.

VII. The Uniform Collateral Data Portal

The Uniform Collateral Data Portal is a means of electronically collecting the appraisal report data, but it requires a standardized data file format. Once in this format the lender can deliver to the Enterprises the appraisal report data electronically through the UCDP prior to loan delivery. So the lender will provide the GSEs a PDF version of the appraisal report and an electronic version of the appraisal report using a standardized data file format through a uniform portal.

The law of unintended consequences tells us to expect undue pressure to respond to inquiries and questions from clients who do not allow adequate timing for pre-delivery review.

A. Standardized file format and data portal

When an appraiser prepares a report on his or her computer, the report is stored on the computer in whatever data file format the software provider designed; a proprietary file format.

In the world of computers, data is transmitted from one computer to another as a series of bits and bytes. Converting and storing data from an appraisal report form into "bits and bytes" is not a problem; appraisal forms software vendors have been doing that for over 30 years.

B. What is MISMO-XML?

When information is being shared between two computers, the "receiving" computer needs to "know" in what order those bits and bytes are being transmitted. So a "common" data format is needed. Here is where a new player in the Data Portal game enters the picture – MISMO.

MISMO-XML-based mapping information is used to translate the data entered on the appraisal report form into the format expected by the Uniform Collateral Data Portal. MISMO is an acronym that stands for Mortgage Industry Maintenance Standards Organization. It is a wholly owned subsidiary of the Mortgage Bankers Association. It's an all-volunteer organization and publishes "open" standards, meaning no fees are associated with their use. There is no need to get too detailed with the actual standards, as this part of the process will be transparent to appraisers.

C. Future – Transmission of an Appraisal Report

Question: How will the Uniform Collateral Data Portal change the future of transmitting an appraisal report?

Answer: For starters, appraisers will likely not be able to "see" any difference because appraisers will complete and transmit their reports much like they do today. The software vendors will incorporate "conversion" programs that will automatically convert a proprietary vendor's file format into the new MISMO-XML¹ file format. This will be transparent to the appraiser.

¹ "Open" standards.

Part B

According to the GSEs, the Uniform Appraisal Dataset (UAD) includes all data points required for a complete appraisal report and standardizes key data points to enhance data quality and promote consistency in appraisal data. In Part B, a series of illustrations is used to promote understanding the concept of “standardization” and how it will affect the way assignment results are reported on pre-printed report forms.

Learning Objectives

The learning objectives are:

- Recognize the impact of the Uniform Appraisal Dataset on common GSE report forms.
- Identify which appraisal report forms are affected by the Uniform Appraisal Dataset.
- Identify the objectives behind the Uniform Appraisal Dataset.

Part B.

The Uniform Appraisal Dataset (UAD)

I. What is the Uniform Appraisal Dataset

The Uniform Appraisal Dataset or UAD's key element is the development of common appraisal data definitions that will be incorporated into the UAD-complaint appraisal report forms.

For ease of adoption for lenders, vendors and appraisers the GSEs are not making significant changes to the actual appraisal report forms. Instead, the primary focus is on developing clear appraisal definitions (datasets) that will produce standardized responses to key data fields in the report.

In other words, the "look" of the appraisal report forms will be minimally changed. However, don't be misled by the fact that the "look and feel" of the forms is not significantly different. The method in which appraisers will complete the report forms will be significantly different.

The four UAD-Compliant Appraisal Report Forms

Initially the only forms that will be revised and to which the uniform dataset applies are:

- Uniform Residential Appraisal Report (Form 1004/70) *and* Exterior-Only Inspection Residential Appraisal Report (Form 2055/2055)
- Individual Condominium Unit Appraisal Report (Form 1073/465) *and* Exterior-Only Inspection Individual Condominium Unit Appraisal Report (Form 1075/466)

The GSEs will also accept other appraisal report forms completed using the uniform dataset standards, where applicable. In other words, if you happen to use the standardized responses on GSE report forms other than the ones identified it will be acceptable to the GSEs. The GSEs have been working early on with the appraisal software vendors to allow for sufficient time to update packages. The GSEs suggest contacting your software vendor on timing and the release of new packages to meet the initiatives requirements.

II. Rationale for the Uniform Appraisal Dataset

Question: Why was the Uniform Appraisal Dataset developed as part of the Uniform Mortgage Dataset Program?

Answer: There are three distinct reasons the UAD was developed as part of the UMDP:

1. To improve the quality and consistency of appraisal data on loans delivered to the GSEs.
2. Open the door to the creation of a database that would allow the GSEs to “push” information back to lenders and appraisers.
3. Another reason for the new lending initiative was the overwhelming appraisal fraud uncovered in the loan packages the GSEs purchased from the early-2000s to 2008.

A. Concept of the Uniform Appraisal Dataset

The concept is that standardization of certain data points will support consistent appraisal reporting regardless of geographic location or any localized reporting conventions, because it disallows vague or disparate data, which was commonplace in many of the fraudulent appraisal reports associated with bad loans purchased by the GSEs.

B. Uniform Appraisal Dataset Announcement/Implementation: December 2010

On December 16, 2010, the GSEs published the full details of the UAD, which included the following:

- A UAD business overview (which is for lenders and appraisers) that clarifies the key elements and implementation dates for the two appraisal-related programs: Uniform Appraisal Dataset and Uniform Collateral Data Portal; and,
- A set of UAD implementation specifications. The specifications consist of MISMO XML-based mapping information and other technical details. Recognize that these specifications are for appraisal software vendors, AMCs, and high-volume lenders, not appraisers. However, appraisers will find this information most helpful and are encouraged to review it.

These specifications will be used to translate the data entered on the appraisal report form into the MISMO-XML file format for use with the Uniform Collateral Data Portal; which will also be used by appraisal software vendors and any lender or lender’s agent, like an AMC, who are responsible for transferring the appraisal dataset to the GSEs electronically.

III. Uniform Appraisal Dataset Illustrations

The following is a brief overview of several of the key standardized data points and definitions (known as “specifications” by the GSEs) from the December announcement, specifically the *UAD Specifications Appendix D: Field-Specific Standardization Requirements & Instructions*, dated December 16, 2010.

This is not intended to be an all-encompassing set of illustrations of the UAD changes, as that is beyond the scope of the presentation to which this handout is related, and will be dealt with in-depth in the 7-hour seminar to be presented by the Northern California Chapter this summer. Rather, the illustrations offer a glimpse at the type of changes appraisers will face in adapting to the new UAD.

The new UAD specifications will mostly be facilitated by forms processing appraisal software. The majority of software vendors will likely fulfill the specifications of the UAD. However, it is unclear what may occur with the smaller vendors. We encourage you to contact your vendors early on to find out how they plan to comply with the UAD specifications.

Illustration 1

Our first example is the standardized data point requirements for the reporting of currency numbers and dates in an appraisal report.

The image shows a portion of a form with a vertical label 'CONTRACT' on the left. The form contains several fields and checkboxes. Two fields are highlighted in yellow: 'Contract Price \$' and 'Date of Contract'. Below these fields are callout boxes with instructions: 'Entry is whole values only Ex. 300000 Correct' and 'Entry full date DD-MM-YYYY EX. 01-28-2011 Correct'. Other visible text includes 'I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of', 'Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by the buyer?', 'If Yes, report the total dollar amount and describe the items to be paid for.', and 'Is the property seller the owner?'.

To get all values and dates the same in an appraisal report the following standardizations were created:

- Money or currency can only be represented as “whole” values. The computer program will reformat any entry you make into the UAD-compliant format so you don’t need to learn this.
- Dates, no matter how you enter them, each will be translated into this format of “YYYY” first, followed by a “dash”, then “MM” second, followed by a “dash,” then ending with the “DD.” As stated earlier, the software will translate the date entered into this format so it isn’t anything “new” to learn.

Source: Appendix D: Specifications pg. 9

Illustration 2

Another example of a standardized requirement deals with variations in reporting the measurement of an area, such as the basement area and percentage finished.

| FOUNDATION | | E |
|--|---|---|
| <input type="checkbox"/> Concrete Slab | <input type="checkbox"/> Crawl Space | F |
| <input type="checkbox"/> Full Basement | <input type="checkbox"/> Partial Basement | E |
| <input type="checkbox"/> Basement Area | sq. ft. | F |
| <input type="checkbox"/> Basement Finish | % | C |
| <input type="checkbox"/> Outside Entry/Exit | <input type="checkbox"/> Sump Pump | V |
| Evidence of <input type="checkbox"/> Infestation | | S |
| <input type="checkbox"/> Dampness | <input type="checkbox"/> Settlement | S |
| <input type="checkbox"/> Heating | <input type="checkbox"/> Cooling | S |

**Basement Area & Finish:
Numeric only;
If none, enter "0"
Ex. 1250 Correct**

To limit too many variations of how this information is entered the similar data fields have been standardized, for example:

- If a basement exists, you must indicate the basement size in SF and the % of the basement that is finished. The entries will be formatted as whole numbers without commas or periods. You will be allowed up to a 5-digit entry for the basement area; and a 3-digit entry for the percent of basement finished.
- If there is no basement, you enter "0" in both fields.

Source: Appendix D: Specifications: pg. 16

The standardization requirements also promote consistent terminology so that nearly identical information is expressed in a uniform manner. In the following Illustration 3, the appraiser must initially determine, from a list provided, if the subject property's view is neutral, beneficial, or adverse. Then, the appraiser must also choose, from another list, which view factor best describes the subject property's view, such as water, residential, power lines, etc. Although the appraiser has the ability to choose "Other" from the list, the GSEs believe they have provided the majority of answers to the question "what is the subject's view" in order to promote standardization of this feature.

Illustration 3

There were too many variations to say the same thing across geographic areas so the GSEs standardized these types of entries. For flexibility, a variety of these types of standardizations also allow for the choice “Other,” as in the following illustration.

| Area | Shape | View |
|---|--|--|
| <p>Step 1: View Rating - must choose from a pull down menu the <u>effect the view has on the value, for example:</u></p> <p>N = Neutral B = Beneficial A = Adverse</p> <p>Source: Appendix D: Specifications: pg. 12</p> | <p>Step 2: View Factor - must choose, one but not more than two view factors, to clarify answer in Step 1, from another pull down menu, for example:</p> <p>Res = Residential Mtn = Mountain PwrLn = Power Lines</p> <p>Same info populated in Site & comp grid sections</p> | <p>“Other”: If view factor not listed must type in description, for example:</p> <p>Railroad Tracks = RRTracks</p> <p>Text must fit in allowable space</p> <p>Text descriptor like “None,” “N/A,” “Typical,” “Average,” <u>not acceptable</u></p> |

In this example,

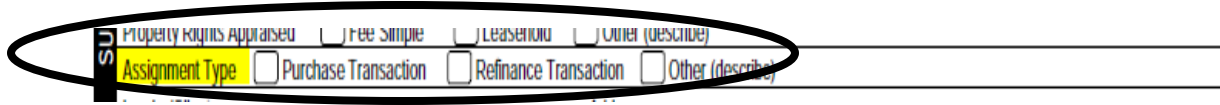
- Step 1 is a View Rating. The answer you chose is describing the view from an overall effect on value and marketability to the subject property.
- Step 2 describes the View Factor. For example, if the View Rating is adverse, then in Step 2 the answer may be Power Lines.
 - In Step 2 there are nine additional choices, like woods view, city skyline view, gold course view, “Other”
- “Other” is only used if none of the other choices are accurate.

If you chose “Other” you must provide a descriptor that an intended user can understand and the text must fit in the allowable space.

Any other answers, typed in under “Other” such as None, N/A – Not Applicable or Not Available, Typical, or judgment factors like average, good, fair – are NOT acceptable.

Illustration 4

Here is another example of the use of drop-down menus to create consistency. In this illustration, if you choose “Purchase” from the list of “Assignment Types” you will be required to identify the type of “Purchase” from another list of choices under the Contract Section.



Property Rights Appraised Fee Simple Leasehold Other (describe)
Assignment Type Purchase Transaction Refinance Transaction Other (describe)

Step 1: Choose the Assignment Type
If the type is “Purchase” choose from another pull down menu – Step 2

Step 2: Under the Contract Section choose what “type of sale,” for example:

REO Sale
Estate Sale
Relocation Sale

Let’s review the example.

Under Step 1: You decide is the Assignment Type is a Purchase, Refinance or Other. If you decide it is a Purchase go to Step 2.

Under Step 2: In the Contract Section you will likely be provided by your software vendor a drop-down menu to indicate the “type of sale/purchase.” Besides the ones noted in the example the following are included: Short Sale, Court ordered Sale, Non-arms length sale, and Arms length sale; there is “Other” option.

Source: Appendix D: Specifications: pg. 7 & 9

Illustration 5

In many cases, the data must be presented in a specified order or “string.” In other words, if the appraiser responds “Yes” to the question, “Is the subject property currently offered for sale?” he or she will then be required to provide specific data in a prescribed order and use specified terminology and abbreviations.

The diagram shows a form with two sections. The first section, labeled 'STEP 1', contains the question: "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?" Below the question are two checkboxes: "Yes" and "No". The "Yes" checkbox is circled in black. The second section, labeled 'STEP 2', contains the text: "Report data source(s) used, offering price(s), and date(s)." A red arrow points from the circled "Yes" checkbox in Step 1 to the Step 2 instructions.

Step 1: Choose Yes or No by designating “x” in checkbox

Answer: Yes or No

Step 2: If the answer is “Yes” the following is required – Days on Market (DOM); Offering Price(s); Offering Date(s); Data source used

String Sequence Example: DOM68; Originally offered for sale 11/15/2010 for \$165,000; Reduced and offered for sale 01/28/2011 for \$150,000; Data source: MLS MRIS#AB45678

Let’s review the example.

In this example, you start the “string sequence question” by answering “Yes” or “No.”

- If the answer in Step 1 is “No” the subject property is not currently offered for sale... in the second line just identify the source you determined this from – MLS, owner of record, RE Agent, etc. If the source is MLS the specifications also request you to provide the MLS organization name. If your source is a person we’d suggest identifying the name and contact information.
- If the answer is “Yes” the subject property is currently offered for sale... the specifications require a “string” of questions to be answered, which will likely be prompted by your appraisal software. The following are the applicable string of questions in this example:
 1. Enter the DOM – defined by Fannie Mae and Freddie Mac in Appendix. If the subject wasn’t advertised – specifications suggest you enter a “0.” If the subject’s DOM is unknown, use the abbreviation: ‘Unk.’
 2. Offering Price(s) – the specifications want the original offering price and a history of price changes identified, if applicable.

3. Offering Date(s) – the specifications want the date(s) each time the property was offered for sale.
4. Data source is again a necessity – If the data source is MLS, the specifications want not only the MLS organization name, but also the specific MLS#. If the property was FSBO or marketed outside the MLS state whatever, of this information, is available in the normal course of business.

Source: Appendix D: Specifications: pg. 8

Illustration 6

As we mentioned earlier, there will be standardized ratings and definitions for items such as the “Condition,” “Quality,” and “Updating/Renovations” of the property. In this example let’s look at the Condition rating and definition for “C1.”

Definitions that specifically describe overall Condition, Quality, and Updating or Remodeling are provided and required to be used for the subject and comparable sales

IMPR Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).

Example: New Condition Definition – C1. “The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.”

As stated earlier, it’s beyond the scope of the presentation to which this handout is associated to go into much detail on the new condition and quality rating requirements. We suggest taking the 7 hour seminar to be presented by the Northern California Chapter that specifically will go into these details; for now, however, here is the gist of these changes:

For Exterior/Interior Complete Reports

- The specifications require you choose one Condition Rating from 6 choices – all defined in the Appendix D Announcement (which will be referenced in the handout).
- The rating must represent the “overall” condition of the subject – inside and outside.

In this example, C1 represents new construction. Appendix D provides more information and detail about what defines (per the GSEs) “new construction” and one key factor is the property must be sited on a new foundation. So being familiar with these definitions is crucial.

Here is where the report forms have been revised

- A new question will be added under the Improvement Section and related to the Condition Rating in which you answer, “Yes” or “No:” “Has the subject had any material work done to the kitchen(s) or bathroom(s) in the prior 15 years.
- If you answer “No” the report form should reiterate this with a simple statement like: “no updates have occurred in the prior 15 years.”
- If you answer “Yes,” additional information is necessary.
 - Identify what type of work the improvements do or do not represent from three choices: 1) not updated 2) updated 3) remodeled.
 - Identify the timeframe in which the majority of this work was completed; for example, less than 1 yr; 1-5 years ago; 6-10 years ago, etc.
 - Lastly, you’ll provide a written explanation of the work completed;

How this may read under the Improvement Section to the Condition question on the report form: “C1; Kitchen – not updated; Bathrooms – not updated; [written description of work completed].”

Exterior-Only Report Form

- Choose a Condition Rating & provide a written description of the overall property from the information gathered.

Quality Ratings: For Quality ratings you’ll choose from six choices (Q1- Q6) for the subject and comparables. You can find this question in the comparable grid section under Quality of Construction; a written description to support the quality rating can be added into the sales comparison grid comments.

Source: Appendix D: Specifications: pg. 18

IV. Implementation Dates for the UAD and UCDP

Although it is not required, the GSEs will accept and are encouraging their lender clients to begin using the UAD appraisal report forms prior to the effective date. Therefore, it's anticipated that in the 2nd and 3rd quarters of 2011 lending clients, or their agents will begin requesting the use of the new, four UAD-compliant appraisal reports. By the 3rd quarter 2011 you are likely to also be asked to begin trial usage of the new Data Portal, which is scheduled to be available June 2011.

The timing of these events will correspond with the release by your appraisal software vendors of these four UAD-compliant appraisal reports. The following are the official GSE dates for implementation:

- UAD appraisal report forms with effective dates on or after September 1, 2011, **must** be completed using the new UAD format.
- For all loan applications on or after December 1, 2011, which are to be sold to a GSE and require a UAD-compliant appraisal report, the lender **must** collect and provide the GSE with the new UAD standardized appraisal data.
- On or after March 19, 2012, **all** conventional loans with a loan application date on or after December 1, 2010 that require an appraisal report (and not just one of the four UAD-complaint reports) **must** be transmitted electronically to the GSE through the new Data Portal before delivery, meaning before it can be sold to a GSE. The transmittal **must** also include a PDF of the appraisal report.

LINKS

| Topic | Fannie Mae Link (Freddie Mac distributed the same information as Fannie Mae; only the Fannie Mae URL is provided) |
|--------------------------------------|--|
| Uniform Mortgage Data Program | https://www.efanniemae.com/sf/lqi/umdp/ https://www.efanniemae.com/sf/lqi/umdp/pdf/umdpupdate121610.pdf |
| Uniform Appraisal Dataset Overview | https://www.efanniemae.com/sf/lqi/umdp/pdf/uadoverview.pdf |
| Uniform Collateral Data Portal | https://www.efanniemae.com/sf/technology/commitloandel/ucdp/index.jsp |
| MISMO | http://www.mismo.org/ |
| UAD Field Specifications: Appendix D | https://www.efanniemae.com/sf/lqi/umdp/pdf/uadreqsforlenders.pdf |
| Uniform Loan Delivery Dataset | https://www.efanniemae.com/sf/lqi/umdp/pdf/ulddoverview.pdf https://www.efanniemae.com/sf/lqi/umdp/pdf/ulddfaqs.pdf |