

Enhanced Appraisal Requirements

Effective going forward including those in standard and soft market counties are subject to the enhanced appraisal requirements. At this date, the enhanced appraisal requirements will become the standard appraisal requirements that will apply to all loans in all counties.

Enhanced Appraisal Requirements

All loans closed are subject to the following appraisal requirements.

- The most recent and similar comparable sales available as part of the sales comparison approach must be used. Any change in the market conditions from the date the contract of sale was signed and date of the appraisal must be considered.
- Verification of comparable sales with a reliable party that is not associated with the subject property or the subject property's development, and at least two comparables, must be verifiable through the Multiple Listing Service (MLS) as armslength transactions.
- Two of the comparable sales must have closed within the last 90 days.
- At least one current listing or pending sale must be provided.
- Days-on-market (DOM) for subject and comparable sales must be provided, if applicable. The average days-on-market for the comparable sales must not exceed the "Marketing Time" box marked by the appraiser.
- If the appraiser is unable to meet any of the above requirements, the appraiser must provide a detailed explanation as to why the requirements were not met, and if it resulted in making an adjustment to the property value.

New Project and Developments Additional Requirements:

- The appraiser must use at least one current sale from the subject builder/developer in the project, and either:
- One current sale from a competing builder / developer , or
- A resale from within the subject property's development that has closed within the last 30 days.
- If the appraiser is unable to meet any of the above requirements, the appraiser must provide a detailed explanation as to why the requirements were not met, and if it resulted in making an adjustment to the property value.

Purchase Transaction Additional Requirements

- In accordance with agency guidelines for purchase money transactions, the appraiser must be provided with a copy of the Purchase Contract so he can take into account any unusual or excessive sales contributions or concessions.