



## Transferred Appraisal Policy for Conventional Products

(Wholesale and Non Del Correspondent)

This policy applies to the following products:

- Agency (Fannie and Freddie Conventional loans)
- Conventional Investment Property
- FNMA/FHLMC Second Home & Investment Property
- Access Product Suite
- Elite Product Suite
- Edge Product Suite
- Foreign National

The following documents are required. They must be sent directly from the transferring Lender or AMC to Arc:

- Original color PDF of the appraisal
- XML version of the appraisal
- Most recent version of the successful Submission Summary Report (SSR).
  - Agency: Fannie Mae Collateral Underwriter or Freddie Mac Loan Collateral Advisor is required depending on the AUS used to approve the file.
  - Conventional Investment Property, FNMA/FHLMC Second Home & Investment Property, Foreign National, Edge, Access and Elite: Fannie Mae Collateral Underwriter is required.
  - For appraisal waterfall guidelines refer to the specific Product Matrix and Arc's Appraisal Valuation Requirements.
- A copy of the appraiser's invoice showing no balance due or proof that the appraisal has been paid at closing.
- Appraiser Independence Requirement (AIR) Certification.
- Appraisal Transfer Letter
  - Agency: Not required
  - Edge, Access, Elite, Foreign National, Conventional Investment Property and FNMA/FHLMC Second Home & Investment Property products: Appraisal must be accompanied by an Appraisal Transfer Letter releasing the appraisal to Arc Home or the Correspondent Lender.
    - The letter must be on the transferring Lender's letterhead with current date, borrower's name, and property address.
    - The letter must be signed by an officer or manager of the transferring Lender. Producing staff such as loan officers, LO assistants, producing sales managers etc. are not eligible to sign the transfer letter.
    - Transferring Lender must certify and warrant that they have adopted and complied with the Interagency Appraisal and Evaluation Guidelines which address the Appraisal Independence requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Truth In Lending regulations and all applicable laws and the appraisal was ordered and prepared in compliance with those requirements. (A separate Appraisal Independence Requirement Certification is acceptable).



The following conditions are required for all transferred appraisals:

- The appraisal must satisfy product guidelines (e.g. Age of report, report form, content of report).
- Appraiser/appraisal company cannot be on Arc Home's and/or Agencies' Exclusionary List.
- All transferred appraisals require an Arc Home Collateral desk review to determine if the transferred appraisal can be accepted.
  - Properties with frequent title changes or a significant increase in value since last transfer must have sufficient commentary in the appraisal and/or supporting documentation to support the increase.
  - The transferred appraisal must be accepted without further requirement(s) for addendum(s) or additional comp(s). If Arc Home requires revisions that are not satisfactorily completed, the transfer will not be accepted, and a new appraisal will be required.
  - Any revised appraisal report must be received in an original PDF format along with the corresponding most recent successful SSR.
  - When an appraisal update is required, the applicable AMC (or Correspondent lender, for Lenders who have an internal ordering process) must be copied on the appraisal transfer with the transfer letter to verify they have been notified and the original transferred appraisal must be included in the appraisal update by the AMC/Appraiser.
- Lender/client named on the transferred appraisal may not be the same as the Broker submitting the loan, unless the Broker is on the Transferred Appraisal Approved Broker List. The Underwriter must validate that the Broker is on the Transferred Appraisal Approved Broker List. In order for a Broker to be added to the Transferred Appraisal Approved Broker List, they must meet one of the below requirements:
  - Arc Home approved Correspondent Lenders who act as Brokers for the purpose of delivering Access and Elite files to Arc Home are permitted to have the appraisal completed in their own name.
  - Brokers who act as Lenders generally but have only been approved as a Broker counterparty to Arc Home are permitted to have the appraisal completed in their own name if they provide documentation to reasonably confirm that the entity is a Lender. The type of documentation that the Broker may provide for review by Arc Home may include one of the following:
    - Lender is approved as a DE Lender (Neighborhood Watch Lender Detail demonstrating active DE Lender status)
    - Documentation that shows that the entity is an approved lender with FNMA or FHLMC
    - Reference or evidence of relationship with a warehouse lender
    - Provide a scorecard with another lender as a correspondent
  - Once entity is confirmed as a Lender, the Lender's AIR Policy must be provided to demonstrate independence in appraisal ordering and must not permit inappropriate contact with or influence over the appraisal report.