



*****Appraisal Engagement Request*****

Per USPAP the Competency rule requires recognition of, and compliance with, laws and regulations that apply to the appraiser or to the assignment-whether that be prior to or during the course of the assignment; additionally, it applies to factors such as an appraiser's familiarity with a specific type of property, a market, a geographic area or an analytical method. Please notify us immediately should there be concern with complying with the Competency rule.

*****e-AMC REQUIREMENTS*****

**IF YOU ARE ON THE B OF A OR FLAGSTAR
DO NOT USE LIST/WATCH LIST,
DO NOT ACCEPT THIS ORDER- CALL e-AMC ASAP!**

Standard Appraisal Engagement Instructions

1. e-AMC Requirements:

- **All final reports are due between 10am – 12pm on Due Date indicated on appraisal request unless e-AMC is notified of an acceptable delay, in which case e-AMC will modify the Due Date.**
- All reports are to be sent in PDF format via the e-TRAC Network e-AMC Portal.
- Borrower/home owner must be contacted within 24 hours of assignment. As soon as it is known, please update the e-AMC website with the scheduled date/time of the inspection. Any delays, unusual circumstances, or problems should be communicated to e-AMC immediately.
- All corrections are requested to be completed within 4 hours from initial notification.
- Daily status updates via the e-AMC website are required for every open order.
- This order, and all services you perform as a result of this order, are deemed confidential and should be discussed with only e-AMC staff.
- Do not discuss appraisal fee with the borrower. Direct these questions to e-AMC.
- The appraisal may only be performed and signed for by the appraiser assigned via the e-TRAC Network e-AMC Portal. All appraisals must be performed by an appraiser licensed or certified under appropriate laws.
- Appraisers are never responsible to pick up any fee at the door. Do not accept payment for the appraisal by any party other than e-AMC.
- Do not attach your invoice to the appraisal report or it will be rejected. If you desire to send us an invoice, please email as a separate PDF file to invoice@eamc1.com.
- The Lender/Client name and address must match the Lender name and address provided on this Order Form.
- If the Borrower name or Subject Property Address on your appraisal report differ at all from those provided on this Order form, add a comment in the addendum that identifies the difference and explains the sources used for the correct name and/or address.
- The actual Owner of Public Record must be clearly displayed. Do not state "Same as Borrower".

2. Lender Requirements:

- Two of the comparable sales must have closed within the last 90 days.
- At least one current listing or pending sale must be provided.
- If you are unable to provide two comparable sales within 90 days, then you may use one sale within the last 90 days and two current listings or pending sales with explanation.
- If you are unable to provide any sales within 90 days, please add direct verbiage of your attempt to find sales within 90 days and why you were unable to provide them.

- Any time a comp is used that exceeds 6 months, the appraiser needs to state that it was utilized because it was the best available due to a minimum number of good comps in the area.
- For listings or pendings, make appropriate adjustments for a typical list-to-sale price ratio in your area corresponding with the information in your 1004MC.
- If location is marked as Urban and any of the comparables exceed five miles or marked as Suburban/Rural and any of the comparables exceed five miles, please add a comment advising why it was necessary to go farther than typical.
- The gross living area of the subject should be bracketed by your comparables. Also, the estimated value of subject should be bracketed by the actual sales price and the adjusted sales prices of the comparable sales used.
- In case of adjustments exceeding the recommended Fannie Mae guidelines of 10/15/25 for any comparables used, please add a comment advising why it was necessary.
- In case of large age differences between the subject and comparables, please comment.
- 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 verified through the Multiple Listing Service (MLS) as arms-length transactions.
- Day-on-market (DOM) for subject and comparable sales must be provided, if applicable. The average days-on-market for the comparable sales should not exceed the "Marketing Time" box marked by the appraiser, if possible.
- Provide a 12-month listing history for the property. Frequent listings and/or sales require explanation on each occurrence or listing and should include the data sources(s), offering prices, date(s), and any further evaluation that may indicate "flipping."
- The presence of any detrimental condition, such as infestations or expansive soils, must be noted by the appraiser and considered in estimating the value and marketability of the property.
- If applicable, the appraiser must note and address the presence of: A. Hazardous wastes, such as toxic substances, asbestos containing materials, urea-formaldehyde insulation, or radon gas or B. Adverse physical influence, such as railroad tracks, freeways, airport flight paths, shopping centers, and commercial businesses.
- Appraise all acres unless otherwise specified.
- Complete all appraisals "as is" unless otherwise specified.
- **FHA REPORTS:** A. Must be completed by a FHA Certified appraiser. B. The appraisal report must be made As-Is. If repairs are necessary then in the Addendum please provide an itemized list of repairs with an estimated cost to cure each repair, total repair cost, and the subject's As Repaired value. Reports made Subject-To are only allowed if property conditions represent a risk to the health and safety of the occupants or the structural soundness of the property as outlined in HUD Mortgagee Letter 2005 ML-48. C. The FHA Case # must be shown at the top of the appraisal report PDF. D. Explain whether or not the subject conforms to HUD minimum standards.
- **USDA REPORTS:** Do not require a Case Number, but do require direct verbiage indicating the property meets minimum property standards per HUD Handbook 4150.0 and 4905.1
- **NON FHA REPORTS:** The appraisal report must be made As-Is. If repairs are necessary then in the Addendum please provide an itemized list of repairs with an estimated cost to cure each repair, total repair cost, and the subject's As Repaired value.
- **COST APPROACH:** Must be completed for 1004, 1004C, and 1025 appraisals including the Remaining Economic Life. If you exclude it, please provide detailed comments as to why. Please note that "because Fannie Mae doesn't require it" is not a valid reason for its exclusion. If the Opinion of Site Value is over 30% of the Opinion of Market Value a comment should be added to the addendum explaining if this is Common for the area.
- **Purchase transactions:** The appraiser must review a copy of the Purchase Contract and all addenda so he or she can take into account any unusual or excessive sales contributions or concessions. Any amendments or adjustments after the appraisal is complete must be supplied to the appraiser for review.
- **New projects/developments:** 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. The appraiser may need to rely solely on the builder of the property they are appraising to provide comparable sales data, as this data may not yet be available through typical data sources (such as

- public records or MLS). In these instances, the appraiser may verify the transaction of the comparable sales by viewing a copy of a HUD-1 Settlement Statement from the builder's file.
- **Condos:** For new projects, one or more properties outside the project but within the same market area and at least one resale within the same project, if available, should be utilized. For established projects, comparables should be drawn from the subject project or contain an explanation why comparables were drawn from outside.
 - **Trainees:** They can assist, however the appraisal report must be completed under the direct supervision of a supervising appraiser who is both licensed and state certified and in good standing in that state. The supervising appraiser must personally inspect the property, sign the appraisal report certifying that the report complies with USPAP, and include his license number.
 - **Financial Data and Sales Concessions:** The appraiser must state the total dollar amount of the loan charges and/or concessions that will be paid. Appraiser should comment on any interested-party contributions, concessions, or builder incentives that are unusual or excessive and the impact, if any, to the sales price.
 - **Location Map:** A street map that shows the location of the subject property and all comparables (including sale, rental, and listing comparables, as applicable)
 - **Sketch:** A sketch with room layout, exterior dimensions, and the appraiser's calculations of the gross living area must be included with all interior appraisals. The bedroom and bathroom count on the sketch must match the appraisal report. For condominiums, the sketch must indicate interior perimeter unit dimensions rather than exterior. For 2-4 Unit Properties, the sketch must include each unit layout and entries, and indicate the square feet of living area per unit and gross living area of the building. A building sketch is not required for 1075, 2055, and 2095 reports.
 - **Gross living area:** Only finished above-grade areas should be counted; garages and basements should not be included. A level is considered to be below-grade if any portion is below ground. Rooms that are not included in the above-grade count may add value to the property. Basements and other partially below-grade areas should be reported separately and make appropriate adjustments for them in the Sales Comparison Approach section.
 - **1004MC:** Required for all appraisals on one-to-four unit properties.
 - **Zoning:** In addition to showing alpha or numeric indications (for example, single family for R-1), the zoning classification must be described. The appraiser must include specific information if the improvements do not represent a legal, conforming use of the land. In case of No Zoning, the appraisal must indicate the property is not zoned and that not being zoned is typical for the area. In case of legal non-forming use, the appraiser must confirm the ability to rebuild in the event of full or partial destruction, citing the specific source of the data. A "rebuild letter" is also acceptable.
 - **Security Bars:** Comment with respect to the use of burglar or security bars. There must be an emergency release latch for at least one window in each room where the security bars are located, unless local or municipal codes state otherwise. Provide photo of safety release latches.
 - **Well/Septic:** If the subject has a well or septic system, explain in the addendum if these are typical for the area and if there is an available connection to public or community water I sewer systems.
 - **Disaster Addendum:** If you are appraising a property in a FEMA declared disaster area, please add an addendum stating "the subject property is in marketable condition and that there are no repairs needed or other detrimental conditions to the subject property and/or surrounding areas due to the recent TORNADOS/HAIL STORMS/ FLOODINGS/WILDFIRES" as appropriate. For a 2075 report, this comment is often required.
 - A copy of the Appraiser(s) license must be attached to the report.
 - **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 within the appraisal report, and if it resulted in making an adjustment to the property value.**

3. Photo Requirements

- Exterior photos of subject: Subject front, rear, and street scene are required unless the product ordered is a drive by appraisal type, in which case subject front and street scene only are required.
- Interior photos of subject: Must, at a minimum, include: the kitchen, all bathrooms, main living area, examples of physical deterioration, if present, and examples of recent updates such as restoration, remodeling, and renovation, if present.
- If repairs are required, photos of the damage/repairs needed MUST be provided.
- Front photo of all comparables, listings, pending sales, and rentals are required.

- FHA reports require photos of ALL sides of the subject property.
- Include original photos of all comparable sales. MLS photos are acceptable if original photos are not available with included comment.

4. Stop and Contact e-AMC immediately if:

- If the transaction is a refinance and the subject property is currently listed for sale.
- Subject property is non-residential, Condo-tel, Manufactured Home, mixed use, or under construction/renovation and not specified as such
- Design style is any of the following: earth home, mixed use property, geodesic dome, floating home, working farm, manufactured or mobile housing, or modular home
- Subject property is in poor condition or not habitable for year-round use, take photos
- Subject property suffers from adverse environmental issues
- Subject property's highest and best use is not its current use or current use is non-compliant with Zoning or highest and best use is commercial
- Subject property is undergoing a parcel split
- Subject property is extremely atypical for the area, take pictures
- Subject property is non-owner occupied or indicated as an investment property and a 1007/216 has not been requested.

5. VMS SERVICE LEVEL AGREEMENT ("SLA") AND VMS STATEMENT OF POLICIES AND STANDARDS ("SPS")

- By accepting this assignment, you and your organization ("you") warrant, represent and certify that you have materially complied with and will comply with all provisions of the SLA AND SPS as published on e-AMC'S WEBSITE, www.eamc1.com. You further warrant, represent and certify that you have read and understood the SLA and SPS and agree that the terms thereof are incorporated herein by reference for all purposes.

By Clicking the Accept link, you are agreeing to this engagement letter, the fee's disclosed and to the delivery times disclosed.

Partial Reports will not be paid.

Please review e-AMC's policies for payments.

Any questions, please email info@eamc1.com. If on site or if it is an emergency, please contact the e-AMC Appraisal Hotline # 512-373-8317 or reviews@eamc1.com