



---

# The Future of Residential Appraising

---



Presenter: T.J. McCarthy, SRA, ASA, IFA  
[tj@accuracyunited.com](mailto:tj@accuracyunited.com)

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative

Fannie Mae and Freddie Mac, (the GSEs), are collaborating to update the Uniform Appraisal Dataset (UAD) and redesign the Uniform Residential Appraisal Report (URAR). This initiative is part of the Uniform Mortgage Data Program®(UMDP®), to enhance data quality and standardization at the direction of the Federal Housing Finance Agency (FHFA).

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative

The UAD and Forms Redesign Initiative will:

- align it with the industry-standard \*MISMO® Reference Model Version 3.X, (we are currently using ver. 2.6),
- and overhaul the uniform appraisal forms to establish a more flexible, dynamic structure for appraisal reporting.

*\*MISMO stands for the Mortgage Industry Standards Maintenance Organization.*

## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative

The UAD and forms update is designed to provide greater clarity to lenders, borrowers, and investors; simplify appraisal reporting and reviewing; and build a foundation for appraisal modernization.

Doesn't that sound great?

## Why does TJ think the GSE's are doing this?

Millennials became the largest generation in the labor force in 2016 and they demand speed!

- 75 million – largest demographic group in the country
- Use of technology is a way of life
- Anytime, anywhere, any device (instant access)
- They are driving change (Uber, Twitter, Amazon, Instacart, Zoom...)
- They are now driving change in the mortgage industry
- Appraisers will have to keep up with the culture

## Fannie Mae CEO – “We’re focused on reducing appraisal turn around times”

“We are not interested in eliminating appraisals, but we should be exploring options electronically,” he said. “Appraisers should be at their desks, not in the field with a measuring tape, making phone calls to track down homeowners”, he added. – August, 2017



# The Residential Valuation World is Dividing

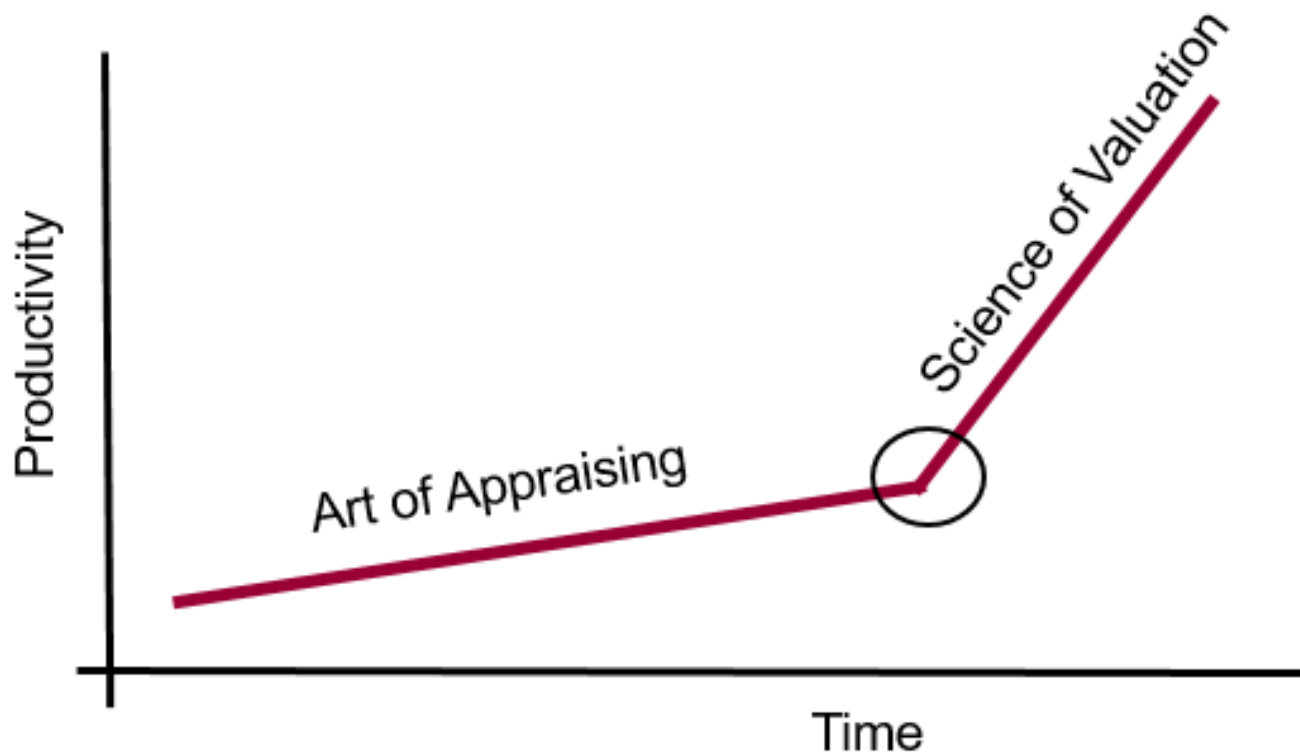
Inspection Specialist



Market & Valuation Analyst



Appraising as an art form is now moving to a Science of Valuation to enhance productivity and turn-times (FOLLOW THE SCIENCE)





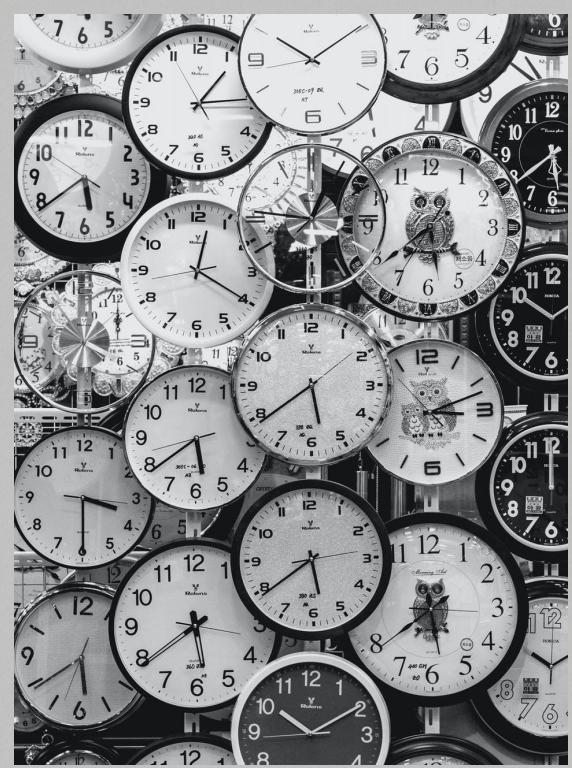
# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative

## **UAD 101**

The Uniform Appraisal Dataset defines all fields required for an appraisal submission for specific appraisal forms and standardizes definitions and responses for a key subset of fields. The GSE's starting requiring UAD formatted appraisals on September 9, 2011.

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative

The Uniform Appraisal Dataset (UAD) and appraisal forms redesign project is well underway. Freddie Mac and Fannie Mae have developed a high-level UAD and forms redesign timeline. So let's time travel and visit the Past, Present and Future.



# UAD and Forms Redesign Timeline 2018-2020

## 2018-2020

### Industry outreach to determine pain points and opportunities

- Gathered extensive information and feedback from key industry stakeholders including lenders, appraisers, technology vendors, appraisal management companies via interviews, surveys, industry events, virtual bulletin boards, and a UAD Advisory Board
- Formed collaborative working group with MISMO®
- Drafted business data requirements and Uniform Residential Appraisal Report (URAR) design for all property types and legacy forms: single-family, condominium, cooperative, manufactured homes, 2- to 4-family, and appraisal update/completion reports

That last bullet point is a big one folks. They are building an interactive – “one size fits all” URAR Report for all property types!!!

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: What appraisal forms will be replaced by the new URAR?**

A: All of them. The GSE's will now have UAD formatted appraisals for all property types.

Single Family - 1004 and 2055

Condo – 1073 and 1075

Cooperative

Manufactured Home

2-4 family

Rent Schedule

Update and Completion

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign

The new format will be similar to a product like Turbo Tax. You input data into an interactive program and when all the facts and analysis have been entered...a well organized and clearly supported report is generated.

TAA DAA!

### The URAR Data-Driven Output

- Reports only relevant data
- Dynamic based on input
- Easy-to-read appraisal analysis and conclusion
- Standardized, well-structured, readable
- Discrete data, pertinent commentary, and photos contained in the relevant sections, designed to reduce reliance on addenda

The image displays two pages from a URAR appraisal report. The top page is the 'Summary' page, which includes a 'Summary' section with fields for 'Date of Market Value', 'Market Value Condition', 'Sales Contract Price', 'Report Date', 'Appraisal Report Effective Date', 'Appraiser Name', 'License No.', 'Appraisal Management Company (AMC)', 'Appraisal Date', 'Appraiser Signature', 'Appraiser Title', 'Appraiser ID', 'Appraiser Email', 'Appraiser Phone', 'Appraiser Fax', 'Appraiser Address', 'Appraiser City', 'Appraiser State', 'Appraiser Zip', 'Appraiser Country', 'Appraiser Email', 'Appraiser Phone', 'Appraiser Fax', 'Appraiser Address', 'Appraiser City', 'Appraiser State', 'Appraiser Zip', 'Appraiser Country'. Below this is a 'Property Description' section with fields for 'Attachment Type', 'Overall Quality', 'Overall Condition', 'Project Type', 'Highest and Best Use (HBU)', 'Construction Method', 'Permits', 'Property Rights Appraised', 'Sale Type', 'Accessory Dwelling Unit', and 'Property Description'. A photo of a house is shown in the 'Property Description' section. Below the photo is a table for 'Appraisal Objectives, Damages, Deductions' with columns for 'Feature', 'Location', 'Comment', 'Affects Usability or Structural Integrity', 'Recommended Action', and 'Estimated Cost to Repair'. The bottom page is the 'Comparables' page, which includes a 'Subject Property' section with fields for 'Property Address', 'Date Sold', 'Market Value', 'Sales Price', 'List Price', 'Lease Term', 'Sale Price', 'Date of Completion', 'Condition Class', 'Closing Date', 'Event Status', 'Appraisal Method', and 'Property Rights Appraised'. Below this is a 'Comparables' grid with columns for 'Comparable #1', 'Comparable #2', and 'Comparable #3'. Each comparable row includes fields for 'Property Address', 'Date Sold', 'Market Value', 'Sales Price', 'List Price', 'Lease Term', 'Sale Price', 'Date of Completion', 'Condition Class', 'Closing Date', 'Event Status', 'Appraisal Method', and 'Property Rights Appraised'. The grid also includes a 'Market Value' column and a 'Sales Price' column. The bottom of the page shows a 'Market Value' section with fields for 'Market Value', 'Sales Price', 'List Price', 'Lease Term', 'Sale Price', 'Date of Completion', 'Condition Class', 'Closing Date', 'Event Status', 'Appraisal Method', and 'Property Rights Appraised'.





# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative

## **Example of Interactive Format:**

You identify that the property has an Accessory Dwelling Unit – ADU. The program will open up additional ADU specific fields that will have to be populated and then carry the ADU over to the adjustment grid. Other improvements such as barns, outbuildings, etc. will all carry over to the adjustment grid allowing for specific line item adjustments. The three blank fields at the bottom of the current URAR in the Sales Comparison Approach will be gone.

# UAD and Forms Redesign Timeline - 2021

- 2021**
- Industry awareness; specification and report design
- Communicate broadly to drive industry awareness and acceptance of the future state vision
- Continue seeking stakeholder input
- Finalize business data requirements and URAR design
- Coordinate with MISMO to publish an updated Reference Model w/UAD updates
- Develop implementation/design guide
- Develop appraiser guide
- Publish updated UAD specification
- Prepare final UAD supporting documents

That's a lot to accomplish in 1 year! The Appraiser Guide will give us a better understanding on how this will impact the residential appraisal industry.

# UAD and Forms Redesign Timeline – 2022-2023

## 2022-2023

### Development and implementation planning

Continue industry outreach, communicate implementation plans, and drive awareness

Plan, create, and begin industry education and training

Appraisal software vendors develop software

Lenders update their systems and workflow for new software

Plan systems updates

- Uniform Collateral Data Portal®
- GSE systems: Loan Collateral Advisor® and Collateral Underwriter®

Conduct end-to-end testing

More CE classes...just in time for our 2023 license renewal



## UAD and Forms Redesign Timeline – 2022-2023

Beta Testing: The GSE's will be looking for limited production from a handful of lenders.





# UAD and Forms Redesign Timeline – 2024 and Beyond

## **2024 and beyond** Implementation

- Begin limited production
- Implement broad production
- Continue industry communications, education, and training to drive adoption and facilitate the transition

Ready or not...here we go!

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: Will the new URAR be cloud based?**

**A: That's up to the appraisal software vendors, not the GSE's.**





## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

Don't panic about the loss of text addendums. Per the GSE's:

*“An updated dataset will enable the retirement of the current appraisal forms, replacing them with a data-driven, flexible, and dynamic report, **that will still allow appraisers to provide comments in each section.**”*

## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

The new format will...

*“Conditionality drive what data must be provided based on the characteristics of the property, providing clear-cut support for the appraisal’s final value conclusion and **improved readability of the appraisal report for all audiences.**”*

The GSE’s have evaluated the type of information found in addenda currently, converted some of it to discrete data elements, and will provide the ability to include commentary within each section for the new URAR



## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: Will this form allow for an exterior only assignment?**

**A:** The new format will accommodate Traditional Appraisals, Exterior –only, Hybrid, Desktops, Virtual Inspections, and AVM’s supported by Inspections which could result in an appraisal waiver.

## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: Will the new form have a 1004 MC addendum?**

**A: No.** There will be a market section in the new URAR that enables appraisers to expand on the market conditions.

## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: Will the Sales Comparison Approach grid change?**

A: Yes. The new grid, like the new appraisal report, will be data driven. The support for adjustments will reside in the grid, allowing the reader of the report to understand the adjustments without searching through text addendums.

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

## **Example of adjustment support**

The subject is rating a C3 for condition. Comparable #1 is also rated a C3 but reflects a \$25,000 negative adjustment because it has a modernized kitchen. Currently you wouldn't understand that adjustment without digging through the text addendum. In the future, the form will identify the modernized kitchen in the same section as the line item adjustment. I like it!

## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: How will this update affect FHA, VA and USDA?**

A: The GSE's are working closely with these government agencies to include their specific requirements in the updated UAD.

TJ's thoughts: It will be interesting to see how the UAD and new URAR will support all the requirements in the 1000+ paged FHA 4000.1 Handbook.



## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: Will appraisers be able to complete non-mortgage appraisals reports on the new URAR?**

**A: No.** Just as today, the updated URAR/UAD is intended for mortgage lending purposes only! Your software provider has appraisal forms for 1 to 4 family non-lending purposes.

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: Why are the GSE's issuing so many Appraisal Waivers?**

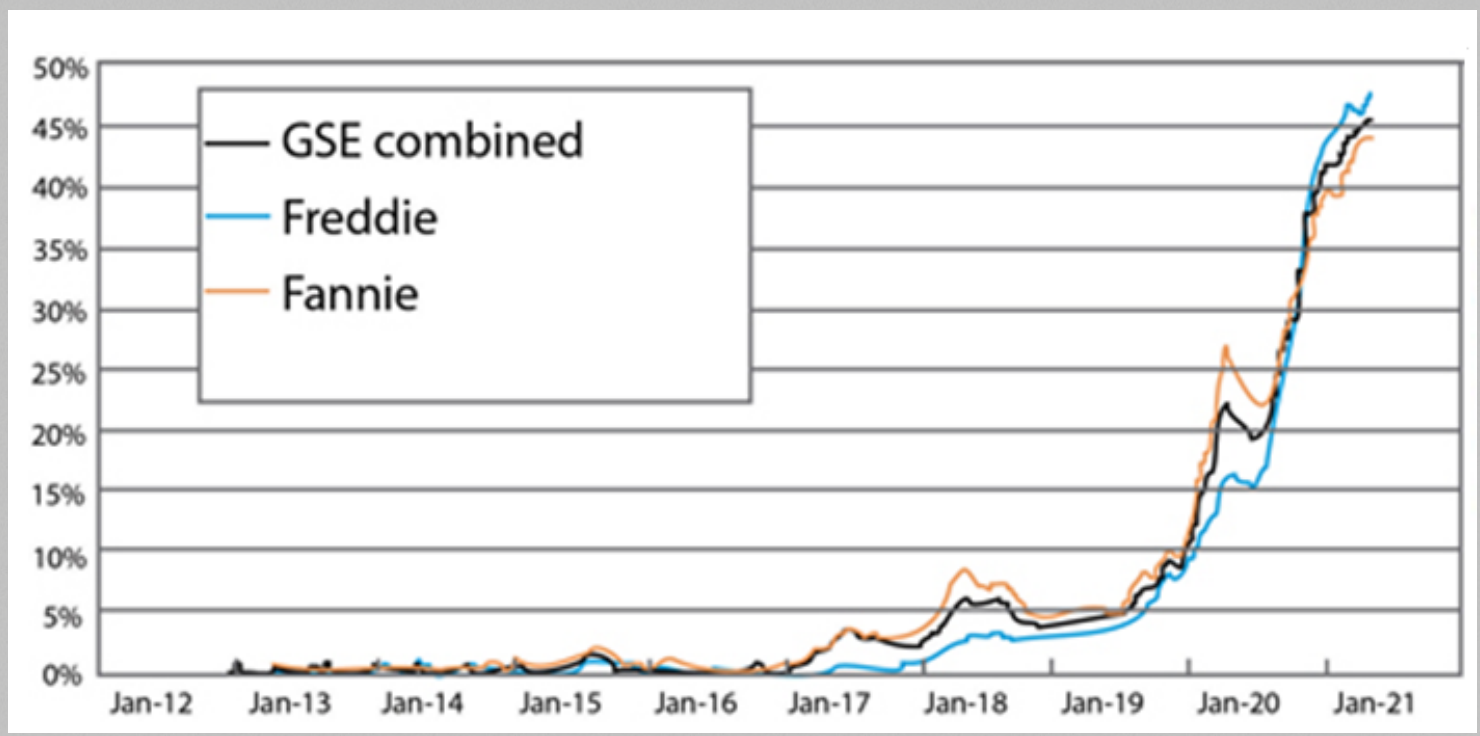


## Appraisal Waivers have been on the Rise

In November 2020 the GSE's issued appraisal waivers on 46% of all "valuations" for residential mortgage transactions. In February 2021, that number jumped to 49%.

This is a huge increase compared to what we were seeing back in 2017 when waivers made up about 5% of all valuations on GSE loans.

# Appraisal Waivers have been on the Rise



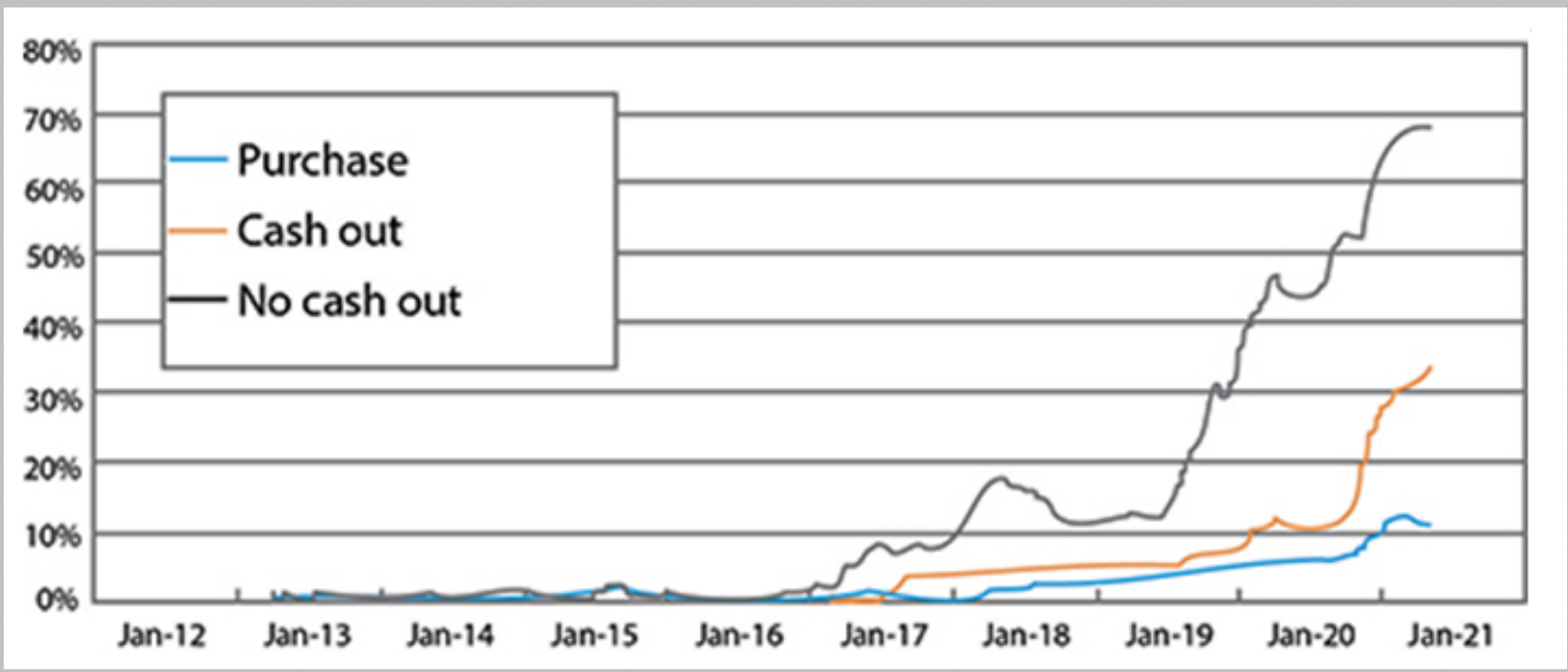
## Appraisal Waivers on the Rise

Once upon a time...

What we are seeing now is nothing new. The GSE's were issuing a large number of appraisal waivers, somewhere around the 30% range, leading up to the 2007 real estate housing crash. Immediately after the crash, they were taken into conservatorship by the Fed's and we saw the number of waivers cut way back. Are they heading down the same road again?



# Appraisal Waivers have been on the Rise



## TJ's thoughts on the BIG Increase in Appraisal Waivers

- Waivers are way up because of historically low interest rates, COVID and “No cash Out Refi’s”.
- COVID has kept people in their homes for over a year thereby reducing housing sales activity...resulting in extremely low housing inventory. It is a Sellers Market!
- Historically low interest rates have prompted homeowners to apply for “No Cash out Refi’s” to lower their mortgage payment. The GSE’s already hold these mortgages, so refinancing the existing balance without an appraisal doesn’t increase their risks. Approximately 70% of “No Cash out Refi’s” receive appraisal waivers.

## TJ's thoughts on the BIG Increase in Appraisal Waivers

- If interest rates rise (more like when because of concerns over inflation), the amount of “No Cash out Refi’s” will decline substantially reducing the number of appraisal waivers.
- AVM’s aren’t perfect either! If you have a property in average to below average condition or with little to no modernization in a market area of competing properties that on average are in better condition and reflect a higher level of modernization than the subject, the AVM will probably overshoot the value. Inspections and appraisals will still be a big part of the valuation process in the future.

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: What will the GSE's valuation processes look like in the future.**

**DISCLAIMER: Some of the following info is speculative in nature based on conversations I have had with the GSE's!**



## GSE's Multi-Step Valuation process

- GSE's will run an AVM and issue an Appraisal Waiver.
- GSE's will run an Inspection Enhanced AVM and issue an Appraisal Waiver. **(Doesn't exist yet)**
- Appraiser completes a Desktop Appraisal based on a Property Data Report (PDR) provided by a field inspector. The PDR will be provided in an XML format. They PDR will probably be able to integrate into the URAR.
- Traditional: Appraiser completes a URAR including the field inspection. This can be a bifurcated process.



## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

- Currently Fannie and Freddie have two different formats for their Property Data Report's. They will be combining them into a single format in the future.
- It is still unclear as to who will be performing the Property Data Report. (Appraisers, Realtors, Home Inspectors, etc.)

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: Do property inspections completed by an inspector require USPAP disclosure of Professional Assistance?**

A: USPAP FAQ #278 Significant Appraisal Assistance:

*“An individual who merely collects or provides data for use in the analysis does not provide significant appraisal assistance”*

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

Wait a minute!  
That same FAQ goes on to state...



*“Examples of **contributions** made **by appraisers** that **constitute significant real property appraisal assistance include** the identification of comparable properties and data, **inspection of the subject property** and comparables, estimated accrued depreciation, or forecasting income and expenses”*

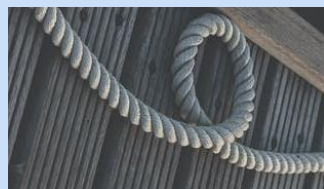
## How will Illinois View a Non-Licensed Inspector?

**Sec. 5-5. Necessity of license; use of title; exemptions.**

**(a) It is unlawful for a person to (i) act, offer services, or advertise services as a State certified general real estate appraiser, State certified residential real estate appraiser, or associate real estate trainee appraiser, (ii) develop a real estate appraisal, (iii) practice as a real estate appraiser, or (iv) advertise or hold himself or herself out to be a real estate appraiser without a license issued under this Act. A person who violates this subsection is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for any subsequent offense.**

# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

## The loophole...



The GSE's can use non-licensed appraisers to perform the inspections and provide a Property Data Report. Later this report will become part of the data that the appraiser will need to consider when completing a Desktop Appraisal on the URAR. Technically, the PDR is not an appraisal and it will have been ordered, completed and submitted to the GSE's before they decide to engage the services of an appraisal. It's no different then when an appraiser relies on a Realtors data on a listing sheet or from public records. **BAM!!!**



# Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign

To conclude, the new UAD/Appraisal Forms will:

- Minimize revision requests (We like that one!)
- Do away with multiple forms (We like that too!)
- Say goodbye to 10 page text addendums (Hmm? What about Zoning Maps, Flood Maps, etc. We don't know yet.)
- Update UAD Dataset to be Mismo compliant with all the other loan forms for the GSE's.

## Fannie Mae/Freddie Mac and the UAD and Appraisal Forms Redesign Initiative - Q&A

**Q: Will the new format allow trainees in the process?**

A: Yes! The new URAR will still allow for trainee/supervisor interaction.

Maybe more!

Let's talk a little about using trainees on assignments today and in the future.

**“To use Trainees or not to use Trainees”**

**That is the question?**

**Here are the answers...**

# Bifurcation in the Appraisal Process

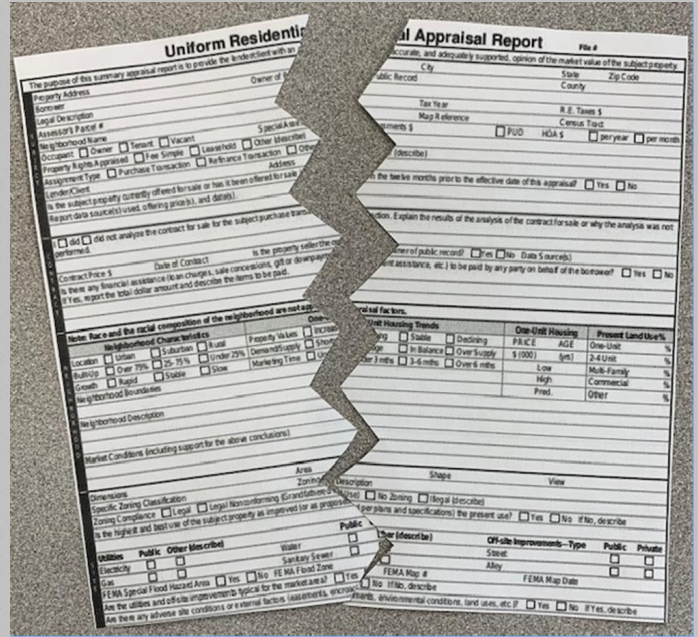
## Bifurcated;

to cause to divide into two branches or parts

This is really nothing new. Residential appraisal forms have allowed for bifurcation since the birth of the URAR

## Trifurcated;

to cause to divide into three branches or parts



## It Takes Two to Tango...I mean Bifurcate!

How many licensed appraisers are there currently in Illinois? According to the people at the State who track this kind of stuff there are...

Certified General	1,469
Certified Residential	1,957
Associate Trainee	<u>372</u>
Total	3,798



# Fact or Fiction? Can AMC's and Lenders use Trainee Appraisers?

There are many Lenders and AMC's who believe they either can't use appraiser trainees or if they accept an appraisal completed by a trainee they have to require a certified appraiser to accompany the appraiser on the field inspection.



# Rumor has it...

These regulatory myths crept into the appraisal process years ago, but there is no support for them in the Fannie Mae or Freddie Mac Selling Guides, Dodd/Frank Protection Act, or the Final Rule of the Federal Reserve Board, (as mandated by Dodd/Frank).





## Fannie Mae Requirements for Trainees



Fannie Mae allows an unlicensed or uncertified appraiser, or trainee (or other similar classification) to perform a significant amount of the appraisal (or the entire appraisal if he or she is qualified to do so).

When an unlicensed or uncertified individual provides significant professional assistance, he or she must sign the left side of the appraiser certification as the Appraiser if:





## Fannie Mae Requirements for Trainees

- • •
- they are working under the supervision of a state-licensed or state-certified appraiser as an employee or sub-contractor,
- the right side of the appraiser certification is signed by that supervisory appraiser, and
- it is acceptable under state law.

If the jurisdiction does not provide license numbers for trainees, the term “Trainee” should be entered in the “Other” field in the Appraiser Certification section.



## Freddie Mac Requirements for Trainees

•••

Freddie Mac permits unlicensed and trainee (or similar classification) appraisers to complete an appraisal in accordance with State law. If an appraisal form is completed by an unlicensed or trainee (or similar classification) appraiser, a supervisory appraiser must sign the appraisal form. **A supervisory appraiser is not required to inspect the subject property or comparable sales unless required by State law.**

•••



## Exceptions to the Rule - FHA

...

The FHA Roster Appraiser must sign the certification of the appraisal and perform all parts of the analysis and reconciliation. **Appraiser trainees or licensees may not sign the appraisal report.** A trainee or licensee may assist in any part of the appraisal, but the opinions and analysis must be performed by the FHA Roster Appraiser. A trainee or licensee may accompany the FHA Roster Appraiser on the observations but may not perform the observations in place of the FHA Roster Appraiser.

...

## Exceptions to the Rule - FHA

•••

The FHA Roster Appraiser must select the comparable properties and perform all critical analyses contained in the appraisal report as well as the Market Conditions Addendum to the appraisal form. The FHA Roster Appraiser must also inspect the subject Property and at least the exterior of the comparable properties.

•••



## Exceptions to the Rule - VA

...

For years, VA's appraisal requirements closely mirrored those of FHA, but on January 1, 2020, VA rolled out their Assisted Appraisal Processing Program (AAPP) allowing VA fee panel appraisers to rely on information provided by another person when making appraisals for VA's home loan guaranty program.

...



## Exceptions to the Rule - VA



VA views this legislation as a unique opportunity to lead the industry in developing an appraisal program that reduces overall appraisal turn times while also encouraging more individuals to join the appraisal profession.

**Who can assist?** Another state licensed VA fee panel appraiser, a state licensed non-VA fee panel appraiser, or an appraisal trainee/apprentice registered or otherwise authorized to provide valuations in that jurisdiction.





## Exceptions to the Rule - VA

...  
To be a person acting in the capacity as an agent of the assigned VA appraiser, the person must be otherwise permitted to **sign an appraisal report** as “Appraiser” on any of the approved VA forms.

**The VA fee panel appraiser must sign the appraisal report as the “Supervisory Appraiser.”**

The VA fee panel appraiser must not allow another individual to conduct a site visit without the VA fee panel appraiser present. ...



# Prepping an Appraisal Assignment



Trainees can research and insert data into an appraisal such as Zoning, Legal Descriptions, Zip Codes, Property Tax Data, Census Tracts, Flood Maps, etc. Providing factual information like this within the appraisal does not require filtering by the signing appraiser who completes the approaches to value and provides a reconciliation for the final opinion of market value.



# Teamwork

•••

Utilizing a trainee who is working under the supervision of a seasoned Certified appraiser can actually yield a stronger, higher quality appraisal. It's the "two heads are better than one" approach to valuation.

•••



# Requiring a Supervisor to also Inspect the Property

Lenders or AMC's who require a certified appraiser to accompany a trainee on field inspections is an unsupported industry requirement.

This type of requirement would cause an appraiser to never use trainees and that would also contribute to a lack of growth within the profession.

# Illinois, Trainees, Supervisors and AMC's

Some States, such as Illinois, require the supervisor to provide Direct Supervision for the first 500 hours of experience for a trainee. During this time the supervisor must accompany the trainee on field inspections.

# Illinois, Trainees, Supervisors and AMC's

The State of Illinois requires a Certified appraiser to register to associate or disassociate with a trainee. You can download the application online at the IDFPR's website.

SECONDARY DOCUMENT  
**SUP-2015**  
Revised January 2019

**Illinois Department of Financial and Professional Regulation**  
Division of Real Estate  
Supervising Appraiser/Associate Trainee Real Estate Appraiser Application  
for Association or Disassociation  
(to be completed within ten days of engagement or release)

**GENERAL INSTRUCTIONS**

Please read the instructions carefully as this is a multi purpose form for individuals intending to supervise no more than three Associate Trainee Real Estate Appraisers at one time, and for Associate Trainee Real Estate Appraisers who wish to be supervised. This is also a form to be used in disassociating from supervising appraisers or from Associate Trainee Real Estate Appraisers.

If an area does not apply, please indicate as "N/A". Incomplete applications or applications completed incorrectly will be returned to the applicant. All signature areas must contain an original signature (digital or copied signatures are not acceptable).

**PART A: The Applicant is: (Mark ONLY the box that applies).**

I am an Illinois Certified Residential Appraiser (556) or an Illinois Certified General Appraiser (553) in good standing with the Division seeking to supervise no more than three Associate Trainee Real Estate Appraisers. I further affirm that I have NOT been subject to professional discipline within the past three years prior to the completion of this application. I further affirm that I have been a Certified Residential Appraiser (556) or have been an Illinois Certified General Appraiser (553) for the past two years prior to the completion of this application.

I am an approved Supervising Appraiser disassociating from one to three Associate Trainee Real Estate Appraisers (557).

I am a Supervising Appraiser with too many Associate Trainee Real Estate Appraisers (557) and I must disassociate from one or more.

I am an Associate Trainee Real Estate Appraiser (557) seeking to be associated with a supervisor.

I am an Associate Trainee Real Estate Appraiser (557) disassociating from a Supervising Appraiser.

**PART B: Illinois Supervisor – Trainee Course Requirement**

Beginning on January 1, 2019, Certified appraisers seeking to supervise any Associate Real Estate Trainee Appraisers must complete the 6-Hour ACB and Illinois Course Associate Real Estate Trainee Appraisers seeking to be supervised must complete this portion. If you are disassociating from either a Trainee or Supervisor, you are NOT to complete this portion.

Please complete the following information and submit a copy of the course completion certificate.

Course Provider	Date Completed	Classroom or On-Line	Hours

If you have NOT completed all 6-Hours of required content, you must complete the balance within one (1) year. Failure to complete the remaining portion will result in being ineligible to supervise Associate Real Estate Trainee Appraisers.

**PART C: Identifying the Applicant**

Today's Date:			OFFICE USE ONLY – Date Received:	
Name LAST	FIRST	MI	ILLINOIS APPRAISAL LICENSE NUMBER	
PERMANENT MAILING ADDRESS		CITY	STATE	ZIP CODE
BUSINESS MAILING ADDRESS		CITY	STATE	ZIP CODE
TELEPHONE NUMBER			CELL PHONE NUMBER	



# Illinois, Trainees, Supervisors and AMC's

AMC's can't restrict the use of trainees on assignments in Illinois. Per the Administrative Code of the Appraisal Management Company Registration Act:

## **Section 1452.190 Unprofessional Conduct**

*"Dishonorable, unethical or unprofessional conduct" as used in Section 65(a)(9) of the Act includes but is not limited to:*

*Restricting the engagement of an Illinois licensed appraiser for an appraisal assignment solely on the licensee's level of licensure except as required or prohibited by the Real Estate Appraiser Licensing Act of 2002*

# Requiring a Supervisor to also Inspect the Property

When Fannie Mae and Freddie Mac created the existing appraisal form reports in 2005 they made it a point to allow for appraiser trainees to be part of the process. This is evident at the bottom of the signature page where the supervisor is given the option of checking one of three boxes relating to a field inspection of the property. These boxes were not placed there to give a lender or AMC the option to require the supervisor to perform field inspections with trainees on **every** assignment.

# Requiring a Supervisor to also Inspect the Property

They were added to the form to allow the Supervising Appraiser to determine if it was necessary to either; not inspect the property, perform an exterior driveby of the property, or inspect the interior of the property, while supervising a trainee. The selection of these boxes by the supervisor will change as the trainee becomes more proficient in the field.

## SUBJECT PROPERTY

- Did not inspect subject property
- Did inspect exterior of subject property from street  
Date of Inspection \_\_\_\_\_
- Did inspect interior and exterior of subject property  
Date of Inspection \_\_\_\_\_

# USPAP and Property Inspections

•••  
The Uniform Standards of Professional Appraisal Practice (USPAP) is actually silent as it relates to the need for performing an inspection of a property. In other words it is not a requirement of USPAP. It is part of the Scope of Work stated in the report.  
•••



# The Times are a Changing



•••  
The fact that Fannie Mae and Freddie Mac developed their forms to allow for trainees to be supervised by certified licensed appraisers supports their inclusion in the process.



# The Times are a Changing



Fortunately, the practice of requiring a certified appraiser to accompany an appraiser trainee during the field inspection has all but disappeared in most lending markets in the country and the appraisers can once again support their clients and the industry by educating and utilizing trainee appraisers.





# Useful Online Resources



# Useful Online Resources

## Fannie Mae UAD - [fanniemae.com/uad](https://fanniemae.com/uad)

The screenshot shows the Fannie Mae website interface. At the top is a dark blue navigation bar with the Fannie Mae logo and links for Business Partners, Homeowners & Renters, About Us, Research & Insights, Newsroom, Careers, Contact Us, and Login. Below this is a lighter blue bar with 'SINGLE FAMILY' on the left and links for Originating & Underwriting, Pricing & Execution, Delivering, Servicing, Learning Center, Apps & Technology, and News & Events, along with a search icon. An orange banner below the navigation contains the text 'Single-Family's COVID-19 response'. The main content area has a green background with a circular pattern. A breadcrumb trail reads 'Home / Delivering / Uniform Mortgage Data Program / Uniform Appraisal Dataset'. The main heading is 'Delivering Uniform Appraisal Dataset'. Below the heading is the sub-heading 'Improving the quality and consistency of appraisal data' and a paragraph of text. To the right, under 'What's New', there is a link 'UAD and Forms What the timeline for the UAD redesign?' followed by a paragraph of text.

**Delivering**

## Uniform Appraisal Dataset

**Improving the quality and consistency of appraisal data**

The Uniform Appraisal Dataset (UAD) and Forms Redesign initiative will leverage extensive stakeholder input to update the appraisal dataset, align it with the industry-standard MISMO® Reference Model Version 3.X, and overhaul the uniform appraisal forms to establish a

**What's New**

[UAD and Forms What the timeline for the UAD redesign?](#)

The timeline shows key milestones and date ranges in this multi-year endeavor that will continue into 2024 and beyond. Check it out to see what's been done, what's in process, and what's coming next.

# Useful Online Resources

## Freddie Mac UAD - [sf.freddiemac.com/uad](https://sf.freddiemac.com/uad)

The screenshot shows the Freddie Mac UAD website. At the top, there is a blue navigation bar with the contact number 1-800-FREDDIE and links to FreddieMac.com, Single-Family Division, Multifamily Division, and Capital Markets Division. Below this is the Freddie Mac Single-Family logo and a main navigation menu with links for Home, Working with Us, Technology, Learning, News & Insights, About, Seller/Service Guide, and a Search icon. A secondary navigation bar for the UAD program includes Overview, UAD, UAD Video, UAD (highlighted), UCDP, URLA & ULAD, ULDD, and eNote. The main content area features the title 'Uniform Appraisal Dataset' in large, bold, black text, with a decorative graphic of blue dots to the right. Below the title is a horizontal menu with 'Business Resources' (highlighted), 'Technical Resources', and 'Announcements'. The page is divided into two columns. The left column has a section titled 'UAD and Forms Redesign Timeline' with a paragraph explaining the project and a link to a 'UAD and Forms Redesign Timeline PDF'. The right column has a section titled 'Additional Resources' with a link to a 'UAD Redesign Snapshot PDF'.

Contact Us 1-800-FREDDIE

FreddieMac.com Single-Family Division Multifamily Division Capital Markets Division

Freddie Mac Single-Family

Home Working with Us Technology Learning News & Insights About Seller/Service Guide Search

Uniform Mortgage Data Program® (UMDP®) Overview UAD UAD Video UAD UCDP URLA & ULAD ULDD eNote

# Uniform Appraisal Dataset

Business Resources Technical Resources Announcements

### UAD and Forms Redesign Timeline

The Uniform Appraisal Dataset (UAD) and Forms Redesign is well underway, but there is much more work to do. Freddie Mac and Fannie Mae have developed a high-level UAD and Forms Redesign timeline PDF showing key milestones and date ranges in this multi-year endeavor.

### Additional Resources

[UAD and Forms Redesign Timeline PDF](#)

[UAD Redesign Snapshot PDF](#)