Engagement Letter

**All Single Family, Co-op, and Condo appraisals with an effective date of 4/1/2022 or later are required to use the Square Footage-Method for Calculating: ANSI® Z765-2021 (American National Standards Institute®).**  Irrespective of ownership type (Condominium, Co-op, Fee Simple, etc.), the **ANSI** standard must be followed for houses with detached or attached architectural design including townhouses, rowhouses, and other side-by side houses.

The **ANSI** standard should not be used if the architectural design is an apartment-style or multifamily building. When measuring a condominium or co-op that is part of an apartment-style or multifamily building, Fannie Mae’s policy of using interior perimeter measurements for the subject property should be applied.

If you are using a measuring program to create the sketch, please make sure to mention that program by name in the appraisal.  If you are personally measuring the property using the **ANSI** standard, please ensure that you state this in the appraisal.  You should mention what **ANSI** course you have taken that qualifies your ability to follow the standard.   The **ANSI** standard requires appraisers to make certain written declarations. Appraisers will indicate adherence to the **ANSI** standard by making the applicable declarations in the appraisal report. Failure to provide the written declaration when applicable voids any claim of adherence to the **ANSI** standard. Conversely, if appraisers are unable to follow the **ANSI** standard, they will communicate this through the exception code “GXX001-” at the beginning of the Additional Features field of the appraisal report.

Appraiser to provide commentary confirming to affirm that all dimensions were measured and reported to the nearest inch or tenth of a foot.

**The appraisal assignment cannot be completed by any other appraiser than the one the order was assigned to without approval from Appraisal Links.**

**The appraisal assignment cannot be completed by any trainee, apprentice, etc., without approval from Appraisal Links.**

DO NOT complete assignment if any of the following apply (Contact Appraisal Links IMMEDIATELY)

* Subject is not a residential property
* Appraisal order does not correspond to the subject property i.e., ordered as a 1004 but subject is a condo or subject is manufactured ordered as an SFR.
* Zoning is ILLEGAL
* Additional Living units (accessory unit) in 2-4 family dwelling

Contact with the borrower/realtor (assignment contact person) must be made immediately and not to exceed 24 hours after accepting an order to set appointment for inspection. Please advise immediately if this is not possible or if assistance is needed.

The appraiser agrees to complete the assignment at the agreed upon fee and will complete the assignment by the agreed upon due date.  Additional time may be granted by the lender / client if requested by the appraiser prior to the assignment due date, on a case-by-case basis.

Status updates must be provided within Appraisal Scope as they occur, so we can provide the same to our clients.

Your appraisal must comply with all USPAP, Fannie Mae, FHA/USDA, AIR and local jurisdiction guidelines.

You must review and familiarize yourself with the attached appraisal bias language list.

The attachment contains a list of words that are prohibited from being used within the appraisal report or any communications regarding the assignment. All reviewers have a copy of the list and will be checking the report against the list as part of the QC process.

By accepting this order, you understand and agree that Appraisal Links review dept or the Lender may require revisions based on review/underwriting of the report. Revision requests must be completed within 24 hours. In an effort to streamline both yours and the reviewers’ job, please provide responses to all revision requests on one page, added to the beginning of the appraisal. (New page 1 of the PDF).

Any required revision is NOT contingent on additional payment.

DO NOT include an invoice in the appraisal report, unless the subject is located in the state of New York. You should note the appraisers fee in the addendum if your state requires that you disclose the appraisers fee in the appraisal.

A valid current copy of your license and Declaration page of your E&O policy must be included in every report. E&O policy must carry a minimum of $500,000 liability coverage.

All FHA and USDA orders must be completed by certified FHA roster appraisers. If completing an FHA or USDA assignment, the appraiser must certify that their license number is verifiable on the HUD roster and are FHA approved.  All USDA reports must state the appraiser is on the FHA Roster.

Your photos must include all exterior sides of the subject property.  All exterior walls must be visible or as visible as possible.  Interior photos must include the kitchen, ALL BATHROOMS, ALL BEDROOMS, all livings spaces that are considered GLA, the crawl space/basement, the attic, interior of garage, utilities and mechanicals. Photos to be provided on all outbuildings/sheds and any non GLA areas that are part of the property.  You must also include any upgrades to the property or deficiencies that are mentioned in the appraisal.  If you mention it, you must photograph it.  Pictures of views must be included if they are beneficial or adverse such as water, mountains, golf ranges, gas stations, adjacent commercial properties or anything else noted in the appraisal.    For 1025 appraisals, you must include photos of all entrances and common areas between units and the 216 Operating Income Statement.  For 1073 appraisals, photos must include amenities. For 1004C Manufactured Home appraisals, photos must include Exterior HUD Tags and Interior Data Plate as well as photos of the crawl space/basement showing the back of the skirting.

Your sketch must include:  All finished areas (GLA), basements, garages, and any other relevant structures.  Please include the room locations in each area. All porches, patios, decks, etc. must be identified on sketch as covered or uncovered.

ALL FORMS to include Quality of Construction and Condition (Q & C ratings) in the sales grid for the subject and all comparable sales.

All comparable used in the appraisal must be inspected and photographed by the appraiser and included in the appraisal.  This includes closed sales, active listings, rentals, and under contract listings. In compliance with USPAP requirements, commentary is required to state all comps were viewed from at least the street.

The most recent/relevant comps/sales within 90 days are to be used.  If you cannot provide at least two sales within 90 days, a comment as to why should be added in your addendum.  Sales 1, 2, and 3 MUST be within 365 days of the effective date of the appraisal.  There are no exceptions.  You may include older sales starting in the #4 comparable position but only to demonstrate marketability.  The appraisal must have two active/pending listings.

Cost Approach must be completed.

Plat map must be included, or state why it cannot be not provided.

We require the appraiser to inspect for CO Detectors and Smoke Alarms, (whether it is a state requirement or not). Comment if they are present and in working order. Provide Photos.

All appraisals must include a completed 1004MC form. (Required regardless of recent changes by FNMA/FRE)

By accepting the assignment appraiser is certifying that you are competent to complete the assigned product and scope of work and are geographically competent in the market of the subject property. If you are not competent to complete the assignment you MUST decline the order.

Quality Standards in the attached link are considered the minimum requirements for all orders and are made part of and included in this engagement.

Appraisal Scope Tech Fees are 3rd party and charged by Appraisal Scope. These fees are paid by the appraiser.

Appraisal Links reserves the right to cancel this assignment with no fee to the appraiser if, at any time, the appraiser does not respond to Appraisal Links within 48 hours of a request. This includes, but not limited to, requests for updates, statuses, and expected date of delivery.