

## Fannie Mae and Freddie Mac Temporary Updated Appraisal Requirements Due to COVID-19

Appraisal Eligibility				
Transaction Type	LTV	Occupancy	Is Current Loan FNMA/FHLMC Owned	Acceptable Appraisal Type
<b>Purchase*</b>	All LTVs	Owner-Occupied Primary Residence	Not applicable	<ul style="list-style-type: none"> <li>Traditional (full) appraisal</li> <li>Desktop appraisal</li> <li>Exterior-only appraisal</li> </ul>
	≤ 85%	<ul style="list-style-type: none"> <li>Second home</li> <li>Investment</li> </ul>		
	> 85%	Second home		
<b>Rate/Term Refinance</b>	All LTVs	All	Yes**	<ul style="list-style-type: none"> <li>Traditional (full) appraisal</li> <li>Exterior-only appraisal</li> </ul>
			No**	Traditional (full) appraisal
<b>Cash-out Refinance</b>	All LTVs	All	Not applicable; applies regardless of who owns loan	Traditional (full) appraisal
<b>Fannie Mae HomeStyle</b>	All LTVs	All	Not applicable; applies regardless of who owns loan	Traditional (full) appraisal and 1004D required
Appraisal Requirements				
Appraisal Type	Requirements			
<b>Desktop Appraisal</b>	<ul style="list-style-type: none"> <li>Forms 1004, 1073, 1025, 1004C as applicable</li> <li>Inspection of subject/comparables <b>not required, and</b></li> <li>Location map indicating location of subject and comparables, <b>and</b></li> <li>Photographs of subject property</li> </ul>			
<b>Exterior-Only Appraisal</b>	<ul style="list-style-type: none"> <li>Forms 2055, 1075, 1025, 1004C as applicable</li> <li>A street map showing the location of the subject property and all comparable sales, <b>and</b></li> <li>Photos of subject property</li> </ul>			
<b>Completion Report 1004 D</b>  (1004 D required on HomeStyle and Home Possible, borrower letter <b>not</b> eligible)	If unable to obtain, a letter, signed by the borrower, confirming all work has been completed is acceptable. Additionally: <ul style="list-style-type: none"> <li>Photos of completed work, <b>or</b></li> <li>Paid invoices, <b>or</b></li> <li>Occupancy permit(s), <b>or</b></li> <li>Similar documentation that confirms required work was completed</li> </ul> Supporting documentation must be retained in the loan file			
<b>Appraisal Waiver/ACE Offered by DU/LPA</b>	No change to current requirements; follow published guidance			

\*NOTE: Homebridge underwriting will confirm MI company will accept alternate appraisal option selected on transactions that require MI

\*\* To determine if Fannie Mae owns the loan: [FNMA Loan Lookup](#); to determine if Freddie Mack owns the loan: [FHLMC Loan Lookup](#)