

Appraisal Guidelines

Measuring a home:

Local appraisers utilize the American National Standard Institute (ANSI) standards for measuring a home.

http://krec.ky.gov/legal/Legal%20Forms%20%20Contracts/calc_sqfootage.pdf

While Fannie Mae or Freddie Mac may utilize a different method for calculating square footage of certain styles of homes (bi-level, tri-level, etc.) local market precedent then supersedes any edict from Fannie/Freddie. Lower level of these types of homes do have their square footage included in the livable area if there is a portion, with windows, still above grade. A tri-level or quad-level with a subterranean basement would not have that square footage included in the livable, however. It would then be counted as basement square footage. **Fannie Mae Appraiser Independence Requirements:**

<https://www.fanniemae.com/content/faq/appraiser-independence-requirements-faqs.pdf>

Q53 addresses whether an appraiser can speak to a Broker.

The main key to take away here is to not try to influence the appraiser. Any attempt to influence the appraiser can be constituted as a violation and is a cause for the appraiser to stop working on the file immediately.

Freddie Mac Appraiser Independence Requirements:

http://www.freddiemac.com/singlefamily/appraiser_independence_faq.html

Freddie Mac guidelines are very similar to Fannie Mae, but there are some different questions answered with their FAQ.

Reconsideration of Value or omission of pertinent facts:

Whenever there is a discrepancy with the appraised value there are certain steps that should be followed. If there are factual errors where a bedroom or bath, etc. was left out, or if there are good comparable sales within close proximity that were not utilized the lender should be contacted. Any other omission or error should be reported to the lender, as well.

The buyer should contact the lender and let them know there was an error and what the error was. If it has an impact on value the lender should follow up with the appraiser and allow time for a response.

If a value reconsideration is requested the buyer should contact the lender and provide evidence of superior sales that they believe should have been utilized. Don't just submit sales, as most appraiser will discard without analysis. Provide sales and an analysis of each one provided and why that sale is superior to the ones utilized in the appraisal. **DO NOT CONTACT THE APPRAISER AT THIS TIME!** Any calls made directly to the appraiser at this time could or may be considered an attempt to influence value which will stop the appraiser immediately. Provide all evidence to the lender at let them forward to the appraiser. Merely calling and berating the appraiser will accomplish nothing except create animosity and most likely shut down any chance for meaningful dialogue.