

CORRESPONDENT APPRAISAL TRANSFER POLICY & REQUIREMENTS

Overview

OnY Glo, Inc. will accept transferred appraisals as the primary appraisal for FNMA, FHMLC, and FHA loans in accordance with the respective agency's guidelines and in accordance with this procedure. VA appraisal transfers are not required since the appraisal is transferred with the LIN and VA appraisals are ordered through the VA Portal. For other Loan Programs, see the matrix or guidelines to determine if appraisal transfers are allowed. All programs must adhere to the requirements in this Procedure.

Transferred appraisal ordering and processing must be compliant with all pertinent rules and regulations, including, but not limited to:

1. HVCC and Appraisal Independence Requirements (AIR)
2. Consumer Protection Acts
3. The Dodd Frank Act
4. The Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA)
5. Uniform Standards Standard of Professional Appraisal Practices (USPAP)

USPAP Compliance

Per USPAP, an appraiser cannot readdress or transfer an appraisal to another party once prepared and delivered to a client, i.e. the appraiser does not transfer the appraisal (i.e. transfer is from lender to lender), additionally:

1. Transfer must be completed by the original transferring Financial Institution only
2. Appraiser must not alter the title page, transmittal letter, borrower name, or the identity of the intended user of the report
3. Appraiser may not make any changes or provide additional information as it relates to the appraisal
4. Only the original financial institution may complete the appraisal transfer

Right of Refusal

Appraisal must conform to OnY Glo, Inc.'s appraisal requirements, underwriting guidelines and otherwise be suitable for use. OnY Glo reserves the right to deny the use of a transferred appraisal and require a new appraisal assignment at the no expense to OnY Glo, Inc.

Requirements for Appraisal Transfer:

The following appraisal docs are required to be uploaded to Underwriting Conditions. If any of the listed items cannot be obtained from the transferring lender, a new appraisal report will need to be ordered by the Correspondent Lender.

- Original Color Appraisal in PDF (First Generation) format
 - Appraiser's E&O Insurance
 - Appraiser's License
- Original Appraisal FNMA and FHLMC SSRs or FHA EAD SSR as required by loan program in lender's name
 - XML must be provided for FHA Appraisals if the EAD SSR shows unsuccessful (must be emailed to appraisals@lprime.com)
 - Not required for VA
- ECOA Valuations Rule Delivery Confirmation
 - Correspondent lender to resend appraisal to borrower, if not provided
- Transferring Lenders ROV Policy proof of delivery with appraisal report
 - Need for Jumbo & Conventional only
 - Will accept the Correspondent Lender's ROV policy sent to the borrower if the transferring lender does not provide it
- Appraisal Receipt (must be paid in full) from AMC confirming party making payment. If the Correspondent Lender has covered this fee in advance, they can be reimbursed by collecting the appraisal fee from the borrower at closing if the fee is disclosed on the initial & subsequent LEs/CDs.
- Appraiser Independent Requirements (AIR) Compliance Disclosure
 - Not required for FHA or VA
- Appraisal Transfer Letter from previous lender
 - Not required for FHA or VA

Requirements for VA Appraisal Transfer to OnY Glo, Inc.:

- Previous lender transfer to OnY Glo, Inc.'s VA Lender ID: 1600420000 through VA Web Portal. OnY Glo, Inc. will review once appraisal is received in "Pending NOV-LAP" status
- Correspondent Lender is responsible for ensuring that the VA Appraiser is paid within 30 days of the appraisal report

Appraisal Transfers Not Allowed for the Following Loan Types:

Transferred appraisals are NOT permitted for:

1. Second appraisals required by loan program guidelines
2. "Subject to" Appraisals (unless appraiser is willing to complete the 1004D)
3. Appraisals from appraisers who have any interest, direct or indirect, in the property or transaction
4. Lender or Borrower ordered appraisals
5. Appraisals that were not ordered from an AMC (case by case exceptions may be made for large financial institutions with their own panel)
6. Appraisals that are not transferred from the original ordering institution
7. Drive-bys, desktops, recertification of value or similar less than full appraisal assignment
8. Any appraisal for which the matrix or guidelines of the applicable program state that transfer appraisals are not allowed
9. Not allowed in Tennessee

Transfer Letter requirements:

1. On original transferring financial institution's letterhead
2. Date letter completed
3. Borrower name(s)
4. Property address
5. Statement transferring ownership of the appraisal to the lender
6. Certification statement to the following effect:
"[Original certifying lender name] certifies and warrants that the referenced appraisal was prepared in accordance with and is compliant with the Appraisal Independence Requirements (AIR), Truth-In-Lending, and all applicable laws."
7. Signatures of an Officer of the originating transferring financial institution that is not in Loan Production (Note: Loan Officer, Loan Officer Assistant, Processors, etc. are not eligible signers)