



# Uniform Appraisal Dataset & Forms Redesign Initiative Summary Report For Stakeholders

March 2022

This communication relates to the Uniform Mortgage Data Program®, an effort undertaken jointly by Fannie Mae and Freddie Mac at the direction of the Federal Housing Finance Agency.







# **Message to Stakeholders**

Fannie Mae and Freddie Mac (the GSEs) are pleased to provide an update on the new Uniform Residential Appraisal Report (URAR).

This summary report shares the journey of the Uniform Appraisal Dataset and Forms Redesign Initiative, providing information about how stakeholder input shaped the new URAR and an overview of its most impactful new features. Key benefits of the new URAR include:

- Dynamic output with commentary placed within each topic
- Standardized data that allows appraisers to better define the property, providing a more holistic view and greater understanding of the property characteristics
- Flexibility, allowing the URAR to be easily adapted to address future industry-wide needs

Please share this report with colleagues and contacts that you believe will benefit from learning more about the new URAR.

The GSEs extend a huge thank you to stakeholders for sharing feedback throughout the redesign process. Whether you participated in interviews, surveys, or virtual bulletin boards, your input has been instrumental in developing the new URAR. Together we made the new report better, and we look forward to seeing the impact of our collaborative efforts in market.







# **Table of Contents**

### 

| Stakeholder Participants             |
|--------------------------------------|
| Our Approach to the Challenge        |
| Virtual Bulletin Board (VBB) Process |
| Outcome of VBB Research              |
| Highlights of Stakeholder VBB Input  |

| Fle      | Flexibility                                 |                            | ability   | Consistency |  | Ess               | ential Details  |
|----------|---|----------------------------|---|-------------|--|-------------------|---|
| 1.<br>2. | Dynamic Output Report<br>Dynamic Sales Grid | 3.<br>4.<br>5.<br>6.<br>7. | Replaced General<br>Addenda<br>New Summary Page<br>Photo Placement Within<br>Relevant Section<br>Section Order Updates<br>Descriptions Without<br>Abbreviations | 8.<br>9.    | Data Standardization<br>USPAP Compliance | 10.<br>11.<br>12. | Review Process<br>Unit Updates<br>Accessory<br>Dwelling Units |
| Next St  | teps and Resources                          |                            |   |             |  |                   | 33  |



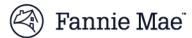




# **The Redesign Journey**

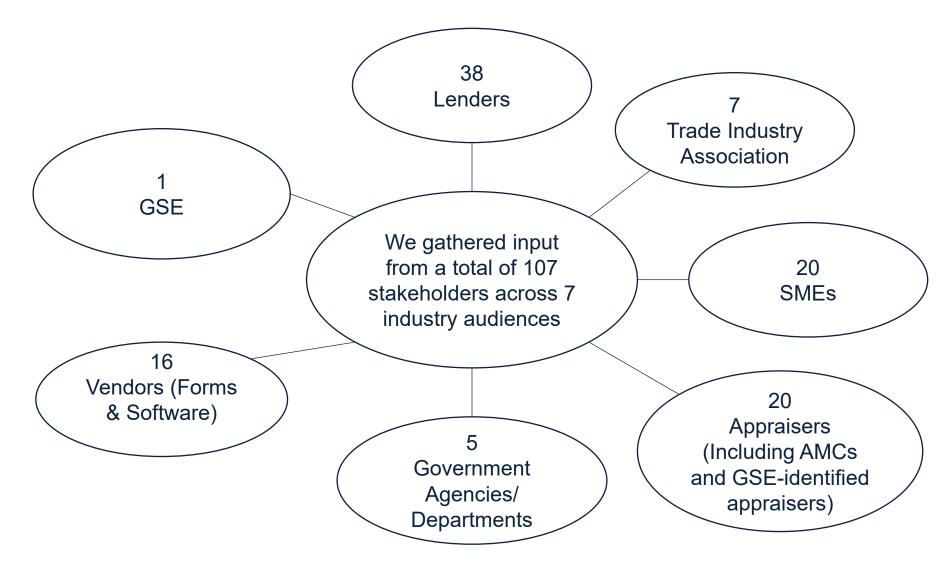
This communication relates to the Uniform Mortgage Data Program®, an effort undertaken jointly by Fannie Mae and Freddie Mac at the direction of the Federal Housing Finance Agency.





**Freddie** Mac

# **Stakeholder Participants**









# **Our Approach to the Challenge**

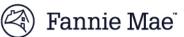
### Background

- As part of the Uniform Mortgage Data Program (UMDP), the GSEs worked on a joint effort to standardize the URAR as part of modernizing the current UAD dataset and forms.
- Using a data driven approach along with input from lenders, appraisers, and other key industry stakeholders, three phases of research were conducted to streamline the mortgage appraisal process with user-friendly content and formatting.
- Using findings from each research phase, the GSEs worked to adjust and tune new iterations of the URAR according to the feedback.

### **Overview of 3 Research Phases**

- Phase 1 included exploratory qualitative research conducted by the GSEs through interviews among lenders, appraisers, and others in the industry to understand perceptions of the Legacy Form.
- Phase 2 was a quantitative survey used to validate findings from Phase 1 and to obtain feedback on proposed changes to the Legacy Form.
- Finally, Phase 3 was additional qualitative research in a Virtual Bulletin Board (VBB) setting used to capture feedback among key end-users on a new URAR and understand how well the revised report would meet stakeholders' needs in terms of content and format.







# **Virtual Bulletin Board (VBB) Process**

### Sample screenshot from VBB

### **The Process**

- PSB Insights hosted 5 online feedback sessions via VBBs, one for each housing scenario (Single-Family, Condominium, Manufactured Home, Cooperative, and 2-to-4 Unit). Each VBB was open for 2 or 4 consecutive weeks, during which time stakeholder participants were able to review and answer questions about a variety of URAR sections with proposed changes. The VBBs functioned as 1-to-1 conversations between moderator and participant.
- The VBB methodology was identified by the GSEs as the optimal approach to achieve our objectives as it allowed stakeholders to look at each section of the report and give initial feedback that could be monitored and addressed in real time. The VBB setting also allowed stakeholders more time to digest the URAR sections and respond in-depth to questions that would be challenging to answer in a brief interview or focus group setting.

#### About this virtual bulletin board

Jonathan G (Moderator)

The Uniform Appraisal Dataset (UAD). Forms Redesign team would like to welcome you to our virtual bulletin board! Thank you for your involvement with the UAD Advisory Group thus far. Your feedback is a vital part of this process, and we appreciate the time you're taking to participate.

Over the next 2 weeks, we'd like to walk you through a complete Manufactured Home URAR and ask your thoughts both on the layout and the information it contains. We'll be focusing on sections of the URAR that are particular to the Manufactured Home scenario, though there will be the option to share feedback on the other sections if you desire. In an effort to make reviewing each section of the report easy, and to help get through all of the information, you will see many of the same questions in each section. Think of this as a one-on-one conversation about the report – no other participants will see your posts, and you will not see theirs.

#### About this virtual bulletin board

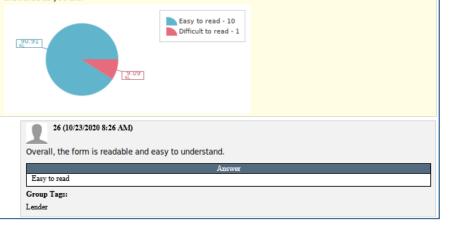
This board will be open for 2 consecutive weeks, but you can work through each section at your own convenience. We only ask that all mandatory questions are completed by midnight an 11/2/20.
 Even if you finish all of the questions in advance of the closing date, please return to the board at least once or twice before the closing date to check for and answer any follow-up questions that may have been left for you.

If you need technical assistance at any time, please email our support team at UAD.VBB@psbinsights.com.
 They are always here for you and happy to help!

Question 3 Jonathan G (Moderator)

How readable was this URAR? Did you find it...

In addition to selecting a response from the options provided, please use the comment box to explain why you answered as you did.









# **Outcome of VBB Research**

- Input gathered from stakeholders during the VBB research gave us confidence that the proposed changes to the new URAR were on the right track and helped us understand how the new features would be more easily used and applied in the real world.
- In particular, the new URAR was perceived as nimble and readable, with stronger narrative flow and data organization.
- Stakeholders also shared feedback and suggestions to make the new URAR more user-friendly and focused on the most relevant content.
- Based on the VBB findings, the GSEs utilized key feedback to optimize the new URAR to meet industry needs.







# **Highlights of Stakeholder VBB Input**

### **Positive Feedback**

- Overall, stakeholders felt the changes to the report are helpful and think the report is moving in the right direction.
- Stakeholders especially liked the inclusion of **photos of relevant items** and the **dynamic links** to the photos/exhibits.
- The ample **space for commentary** throughout the report was especially well received by appraisers and end-users.
- Stakeholders felt that the updated form and expanded standardized field responses will foster consistency in data collection and analysis that will streamline the appraisal and underwriting review processes.

### **Suggestions For Improvement**

- Stakeholders suggested minor reordering and reorganizing within sections to better align with the review process and foster streamlined comparison and analysis.
- Lenders and vendors emphasized a desire to focus on only relevant data points in order to streamline the process and reduce back-andforth between lenders and appraisers.
- Combining data and images within a **grid format** works well, and further **visual simplification** will also aid the readability of the report.
- Stakeholders also recommended changing the nomenclature of some headings and fields to clarify the intended input and better align with corresponding data and/or USPAP definitions to which appraisers and lenders are accustomed.

9







# Spotlight on New URAR Form Features







# **New URAR Features**

- This section introduces the most substantial and visible changes to the new URAR, focusing on the new features that are perceived by stakeholders to have significant benefits for users.
- For each feature, we summarize why it was introduced, share stakeholder feedback from VBB research, and describe or show form iterations (e.g., legacy form, URAR tested in VBB, new URAR).

### Flexibility

- 1. Dynamic Output Report
- 2. Dynamic Sales Grid

### Usability

11

- 3. Replaced General Addenda
- 4. New Summary Page
- 5. Photo Placement Within Relevant Section
- 6. Section Order Updates
- 7. Descriptions Without Abbreviations

### Consistency

- 8. Data Standardization
- 9. USPAP Compliance

### **Essential Details**

- 10. Review Process
- 11. Unit Updates
- 12. Accessory Dwelling Units



### **Dynamic Output Report**





In comparison to the legacy form, the new URAR is now dynamic and can be applied to any property being evaluated. By adding flexibility within the scope of work, the report can adapt and adjust to unseen circumstances.

### **Key Benefits**

 One standardized report will help minimize lender review time on atypical properties the current UAD form struggles with appraising, such as site condos and 2-4 units within a condominium project.

 ✓ Flexibility allows for lenders and investors to easily adapt to future industry-wide needs.

12

### Legacy Form

| Dimensions                                    | Area  | Shape                           |                    | View             |              |          |
|---|---|---------------------------------|--------------------|------------------|--------------|----------|
| Specific Zoning Classification                | Zoning Description                            |                                 |                    |                  |              |          |
| Zoning Compliance Legal Legal I               | Nonconforming (Grandfathered Use)             | o Zoning 🔲 Illegal (describe    | e)                 |                  |              |          |
| Is the highest and best use of the subject p  | roperty as improved (or as proposed per pla   | ins and specifications) the pre | sent use? 🗌 Yes    | No If No,        | describe     |          |
|   |   |                                 |                    |                  |              |          |
| Utilities Public Other (describe)             |   | her (describe)                  | Off-site Improver  | ments-Type       | Public       | Private  |
| Electricity                                   |   |                                 | Street             |                  |              |          |
| Gas 🗌   | Sanitary Sewer                                |                                 | Alley              |                  |              |          |
| FEMA Special Flood Hazard Area Yes            |   | FEMA Map #                      | FEM/               | A Map Date       |              |          |
| Are the utilities and off-site improvements t |   | If No, describe                 |                    |                  |              |          |
| Are there any adverse site conditions or ex   | ternal factors (easements, encroachments, e   | environmental conditions, land  | d uses, etc.)? 🔲 ۱ | ∕es □No If \     | les, describ | e        |
|   |   |                                 |                    |                  |              |          |
|   |   |                                 |                    |                  |              |          |
|   |   |                                 |                    |                  |              |          |
| General Description                           | Foundation                                    |                                 | aterials/condition | Interior         | materials/c  | ondition |
| Units One One with Accessory Unit             |   | Foundation Walls                |                    | Floors           |              |          |
| # of Stories                                  | Full Basement Partial Basement                | Exterior Walls                  |                    | Walls            |              |          |
|   | Basement Area sq. ft.                         | Roof Surface                    |                    | Trim/Finish      |              |          |
|   | Basement Finish %                             | Gutters & Downspouts            |                    | Bath Floor       |              |          |
| Design (Style)                                | Outside Entry/Exit Sump Pump                  | Window Type                     |                    | Bath Wainscot    |              |          |
| Year Built                                    | Evidence of Infestation                       | Storm Sash/Insulated            |                    | Car Storage      | None None    |          |
| Effective Age (Yrs)                           | Dampness Settlement                           | Screens                         |                    | Driveway         | # of Cars    |          |
| Attic None                                    | Heating FWA HWBB Radiant                      |                                 | Noodstove(s) #     | Driveway Surfa   |              |          |
| Drop Stair Stairs                             | Other Fuel                                    |                                 | Fence              |                  | # of Cars    |          |
| Floor Scuttle                                 | Cooling Central Air Conditioning              |                                 | Porch              | Carport          | # of Cars    |          |
| Finished Heated                               | Individual Other                              |                                 | Other              | Att.             | Det.         | Built-in |
| Appliances Refrigerator Range/Over            | n Dishwasher Disposal Microwave               | e 🗌 Washer/Dryer 🗌 Other        | (describe)         |                  |              |          |
| Finished area above grade contains:           | Rooms Bedrooms                                | Bath(s)                         | Square Feet of G   | ross Living Area | Above Gra    | de       |
| Additional features (special energy efficient | items, etc.)                                  |                                 |                    |                  |              |          |
|   |   |                                 |                    |                  |              |          |
| Describe the condition of the property (inclu | uding needed repairs, deterioration, renovati | ons, remodeling, etc.).         |                    |                  |              |          |
|   |   |                                 |                    |                  |              |          |
|   |   |                                 |                    |                  |              |          |
|   |   |                                 |                    |                  |              |          |

re there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? 🗌 Yes 📄 No If Yes, describe

es the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? 🗌 Yes 🗌 No If No, describe

### **URAR Tested in VBB**

| Site Size   |   | 11,997 Sq. Ft.  |  | Parcels                       |  | 1  |
|---|---|---|--|-------------------------------|--|--|
| Assessor Parcel Nu  | mber (APN)  | APN D   | escription   |                               | Size   |  |
| 3-1-5-067-055   |   | Land w  | ith Dwelling   |                               | 11,997 Sq.   | Ft.  |
|   |   |   |  |                               |  |  |
| Site (On Site)  |   |   |  |                               |  |  |
| Zoning  |   |   |  | Property Access               |  |  |
| Compliance  |   | Legal Nonconfor   | ming   | Primary Access                |  | Public Street 📾  |
| Classification Code   |   | A-1A  |  | Street Access                 |  | Collector  |
| Classification Code   | Description   | Agricultural/Res  |  | Street Surface                |  | Asphalt  |
|   |   | 1.00 Acre Minim   | JM   | Typical to Market             |  | Yes  |
| Rebuildable to Cur  | rent  |   |  | Description of Pro            | perty Acces  | s Subject fronts onto a collecto   |
| Density/Use   |   | Yes   |  | street.                       |  |  |
| Site Influence  |   |   |  |                               |  |  |
|   |   |   |  |                               |  |  |
|   |   |   |  |                               |  |  |
| Busy Roadway<br>Site Influence Com<br>marketability.  |   |   | ad through the   | Detail<br>community which has | higher densi   | ty traffic impacting subject's   |
| Busy Roadway<br>Site Influence Comm<br>marketability.<br>View and Impact  |   | Bordering<br>onts to a feeder ro<br>ketability  |  |                               |  | ty traffic impacting subject's   |
| Busy Roadway<br>Site Influence Commarketability.<br>View and Impact<br>View   |   | Bordering<br>onts to a feeder ro<br>ketability<br>Range   | ad through the   |                               | Impact   | ty traffic impacting subject's   |
| Busy Roadway<br>Site Influence Commarketability.<br>View and Impact<br>View<br>Residential  | to Value/Mark   | Bordering<br>onts to a feeder ro<br>ketability<br>Range<br>Full   | of View  | community which has           |  | ty traffic impacting subject's   |
| Busy Roadway<br>Site Influence Commarketability.<br>View and Impact<br>View   | to Value/Mark   | Bordering<br>onts to a feeder ro<br>ketability<br>Range<br>Full   | of View  | community which has           | Impact   | ty traffic impacting subject's   |
| Busy Roadway<br>Site Influence Comi<br>marketability.<br>View and Impact<br>View<br>Residential<br>View Commentary  | to Value/Mark   | Bordering<br>onts to a feeder ro<br>ketability<br>Range<br>Full<br>mentary can be a   | dded here, if ne   | community which has           | Impact   | ty traffic impacting subject's   |
| Busy Roadway<br>Site Influence Comi<br>marketability.<br>View and Impact<br>View<br>Residential<br>View Commentary<br>Site Feature and I  | to Value/Mark<br>Additional comm  | Bordering<br>onts to a feeder ro<br>ketability<br>Range<br>Full<br>mentary can be a   | dded here, if ne   | eded by Appraiser.            | Impact   | ty traffic impacting subject's   |
| Busy Roadway<br>Site Influence Comm<br>marketability.<br>View and Impact<br>View<br>Residential<br>View Commentary<br>Site Feature and I<br>Feature   | to Value/Mark<br>Additional comm<br>mpact to Valu<br>Detail   | Bordering<br>bonts to a feeder ro<br><b>ketability</b><br>Rangu<br>Full<br>mentary can be a<br>ue/Marketabili   | dded here, if ne   | eded by Appraiser.            | Impact   | ty traffic impacting subject's   |
| Busy Roadway<br>Site Influence Commarketability.<br>View and Impact:<br>View<br>Residential<br>View Commentary<br>Site Feature and I<br>Feature<br>Zoning   | to Value/Mark<br>Additional comr<br>mpact to Valu<br>Detail<br>Legal Noncor   | Bordering<br>bonts to a feeder ro<br><b>ketability</b><br>Range<br>Full<br>mentary can be a<br>se/Marketability<br>nforming                                 | dded here, if ner<br>ty<br>Impact<br>Neutral   | eded by Appraiser.            | Impact<br>Neutral  |  |
| Busy Roadway<br>Site Influence Comm<br>marketability.<br>View and Impact<br>View<br>Residential<br>View Commentary<br>Site Feature and I<br>Feature   | to Value/Mark<br>Additional comm<br>mpact to Valu<br>Detail   | Bordering<br>bonts to a feeder ro<br><b>ketability</b><br>Range<br>Full<br>mentary can be a<br>se/Marketability<br>nforming                                 | dded here, if ne   | eded by Appraiser.            | Impact<br>Neutral  | ty traffic impacting subject's the Puns District on the southeast with Puns District on the southeast mail. The subject appears to be local            |
| Busy Roadway<br>Site Influence Commarketability.<br>View and Impact:<br>View<br>Residential<br>View Commentary<br>Site Feature and I<br>Feature<br>Zoning   | to Value/Mark<br>Additional comr<br>mpact to Valu<br>Detail<br>Legal Noncor   | Bordering<br>conts to a feeder ro<br>Rangy<br>Full<br>mentary can be a<br>se/Marketabilit<br>mforming<br>ow Zone  | dded here, if ner<br>ty<br>Impact<br>Neutral   | eded by Appraiser.            | Impact<br>Neutral<br>anic activity in<br>e island of Ha<br>azard Zone 2. | the Puna District on the southeast   |
| Bury Roadway<br>Site Influence Com<br>marketability.<br>View and Impact<br>View<br>Residential<br>View Commentary<br>Site Feature and I<br>Feature<br>Zoning<br>Hazard Zone<br>Site Influence                     | Additional comr<br>mpact to Valu<br>Detail<br>Legal Noncor<br>USGS Lava Flo<br>Busy Roadwa                                      | Bordering<br>conts to a feeder ro<br>Rangy<br>Full<br>mentary can be a<br>ue/Marketabilit<br>nforming<br>ow Zone<br>ay                                      | dded here, if ner<br>ty<br>Impact<br>Adverse<br>Adverse                                    | eded by Appraiser.            | Impact<br>Neutral  | the Pura District on the southeast<br>will. The subject appears to be local<br>through the community which has   |
| Bury Roadway<br>Site Influence Com<br>marketability.<br>View and Impact<br>View Commentary<br>Site Feature and I<br>Feature<br>Zoning<br>Hazard Zone<br>Site Influence<br>Site Feature Comm                       | Additional comm<br>mpact to Valu<br>Detail<br>Legal Noncor<br>USGS Lava Fli<br>Busy Roadwa<br>entary This com                   | Bordering<br>Monts to a feeder ro<br>ketability<br>Rangy<br>Full<br>mentary can be a<br>se/Marketabilit<br>mforming<br>ow Zone<br>ay<br>mment field is to c | dded here, if ner<br>ty<br>Impact<br>Adverse<br>Adverse                                    | eded by Appraiser.            | Impact<br>Neutral  | the Pura District on the southeast<br>will. The subject appears to be local<br>through the community which has   |
| Bury Roadway<br>Site Influence Com<br>marketability.<br>View and Impact<br>View<br>Residential<br>View Commentary<br>Site Feature and I<br>Feature<br>Zoning<br>Hazard Zone<br>Site Influence                     | Additional comm<br>mpact to Value<br>Detail<br>Legal Noncor<br>USGS Lave Fli<br>Busy Roadwa<br>entary This com                  | Bordening Bordening Rangg Full Rangg Full mentary can be a ser/Marketability  | to of View<br>dded here, if new<br>y<br>Impact<br>Neutral<br>Adverse<br>Adverse<br>Adverse | eded by Appraiser.            | Impact<br>Neutral  | the Poss District on the southeast<br>will The subject appears to be local<br>through the community which has<br>ching subject markeability.<br>tures. |
| Bury Roadway<br>Site Influence Com<br>marketability.<br>View and Impact<br>View Commentary<br>Site Feature and I<br>Feature<br>Zoning<br>Hazard Zone<br>Site Influence<br>Site Feature Comm                       | to Value/Mark Additional comm mpact to Value Detail Legal Nence USGS Lava Fil Busy Roadwa entary This com sct to Value/M Public | Bordering<br>Monts to a feeder ro<br>ketability<br>Rangy<br>Full<br>mentary can be a<br>se/Marketabilit<br>mforming<br>ow Zone<br>ay<br>mment field is to c | dded here, if ner<br>ty<br>Impact<br>Adverse<br>Adverse                                    | eded by Appraiser.            | Impact<br>Neutral  | the Pura District on the southeast<br>will. The subject appears to be local<br>through the community which has   |
| Bury Roadway<br>Site Influence Com<br>marketability.<br>View and Impact<br>View Commentary<br>Site Feature and I<br>Feature<br>Zoning<br>Hazard Zone<br>Site Influence<br>Site Feature Comm                       | Additional comm<br>mpact to Value<br>Detail<br>Legal Noncor<br>USGS Lave Fli<br>Busy Roadwa<br>entary This com                  | Bordering Bordering Range Fail Fail norming norming v unmentary can be a larketability Private Private  | to of View<br>dded here, if new<br>y<br>Impact<br>Neutral<br>Adverse<br>Adverse<br>Adverse | eded by Appraiser.            | Impact<br>Neutral  | the Poss District on the southeast<br>will The subject appears to be local<br>through the community which has<br>ching subject markeability.<br>tures. |
| Busy Roadway<br>Site Influence Com<br>marketability.<br>View and Impact<br>View Commentary<br>Site Feature and I<br>Feature<br>Coning<br>Hazard Zone<br>Site Influence<br>Site Feature Comm<br>Utilities and Impa | to Value/Mark Additional comm mpact to Value Detail Legal Nence USGS Lava Fil Busy Roadwa entary This com sct to Value/M Public | Bordening Bordening Rangg Full Rangg Full mentary can be a ser/Marketability  | to of View<br>dded here, if new<br>y<br>Impact<br>Neutral<br>Adverse<br>Adverse<br>Adverse | eded by Appraiser.            | Impact<br>Neutral  | the Poss District on the southeast<br>will The subject appears to be local<br>through the community which has<br>ching subject markeability.<br>tures. |

All comments and data in this report refer to a version of the URAR developed and tested in 2020.



### **Dynamic Sales Grid**

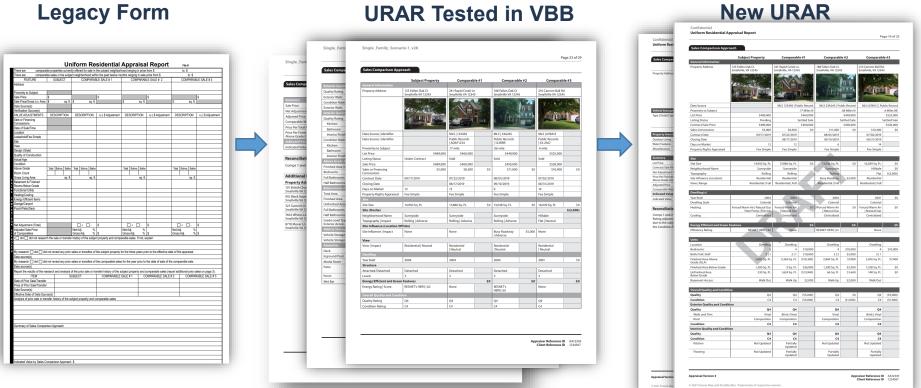
🛞 Fannie Mae



The new URAR uses a modern and dynamic grid to show comparable property values when appraising a home. The updated section allows for more objectivity in the appraisal process and provides additional information to assist in valuing a property appropriately.

### **Key Benefits**

- ✓ Data in the grid is now discrete and can be used for further analysis in a comprehensive and accessible manner.
- ✓ The grid is now more specific to the property and helps craft a clearer picture within the comparable data.



All comments and data in this report refer to a version of the URAR developed and tested in 2020.

13



### Dynamic Sales Grid





Stakeholders gave positive feedback regarding the organization and layout of the updated Sales Comparison Approach and its use of dynamic grids. Concerns over the length and abundance of information were addressed.

### Stakeholder Input "Breaking out the differences in the Quality and Condition area for the comparables in more detail makes it easier to understand the adjustments made." – SME

"The expandable grid makes it very nice to address a variety of property features." – Trade/Industry Association

"Lots of detail, likely won't be of much help in most cases." – Lender

"The sales grid should be included on **ONE page rather than TWO**. Suggest consolidating." – **Appraiser** 

### Impact on New URAR Design

- The updated sales grid leverages these concerns from stakeholders and reordered sections to make them clearer while keeping the same consistency throughout the report.
- Subsections such as Dwelling, General Information, and "Property Analyzed not Used" had updates with additions and reorganization.

14





🛞 Fannie Mae 🛛 🖌



Commentary space is placed within the section of the new URAR with which it is associated. For comparison, the legacy form provides commentary space at the end of the form, thus splitting up comments from the reference point.

### Key Benefit

15

 By placing commentary within each topic, additional information can be referred to easily, increasing usability for the appraiser, borrower, and lender.

### Legacy Form

| Uniform Residential Appraisal Report |   |
|--------------------------------------|---|
|                                      | _ |
|                                      | - |
|                                      | - |
|                                      | _ |
|                                      |   |
|                                      | - |
|                                      | _ |
|                                      | _ |
|                                      | _ |
|                                      | _ |
|                                      | - |
|                                      | - |
|                                      | _ |
|                                      |   |
|                                      |   |
| <u> </u>                             | - |
|                                      | _ |
|                                      |   |
|                                      | _ |
|                                      |   |
|                                      | - |
|                                      | - |
|                                      |   |
|                                      | _ |
|                                      | - |
|                                      | - |
|                                      | _ |
|                                      | _ |
|                                      | _ |
| <br>                                 | - |
|                                      | - |

| Confidential<br>Uniform Residential Ap  | praisal Report  |                 |                            | Page 13 of 25 |
|---|---|-----------------|----------------------------|---------------|
|   |   |                 |                            | Page 13 of 25 |
| Vehicle Storage (continued)   |   |                 |                            |               |
| Vehicle Storage Comme   | intary  |                 |                            |               |
| Additional commentary can   | be added here, if needed by Appraiser   |                 |                            |               |
|   |   |                 |                            |               |
| Vehicle Storage Exhibit   |   |                 |                            |               |
| Vehicle Storage - Garage  |   |                 |                            |               |
| Subject Property Amenit   | ie and a second   |                 |                            |               |
|   |   | Material        | Detail                     |               |
| Amenity Category  | Internet States | Material        | Detail                     |               |
| Amenity Category<br>Outdoor Accessories   | Subject Property Amenity  | Material Pagers | Detail<br>1445sg.ft.       |               |
| Subject Property Amenite<br>Amenity Category<br>Ouddoor Accessories<br>Ouddoor Living | Subject Property Amenity<br>Fence   |                 |                            |               |
| Amenity Category<br>Outdoor Accessories   | Subject Property Amenity<br>Fence<br>Patio  | Pavers          | 144 Sq. Ft.                |               |
| Amenity Category<br>Outdoor Accessories<br>Outdoor Living                             | Subject Property Amenity<br>Fence<br>Patio<br>Porch 📾   | Pavers          | 144 Sq. Ft.<br>351 Sq. Ft. |               |
| Amenity Category<br>Outdoor Accessories<br>Outdoor Living<br>Whole Home               | Subject Property Amenity<br>Fence<br>Patio<br>Porch Ella<br>Indoor Fireplace Ella   | Pavers          | 144 Sq. Ft.<br>351 Sq. Ft. |               |

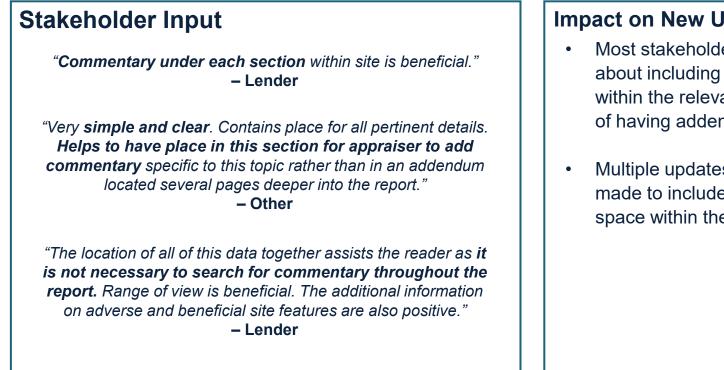


### **Replaced General Addenda**

Fannie Mae



The legacy form requires attachment of a long narrative addendum to discuss non-standardized information. Stakeholders reacted positively to replacement of the addendum with integrated, section-specific commentary in the URAR as tested.



### Impact on New URAR Design

- Most stakeholders were positive about including commentary space within the relevant sections in place of having addenda at the end.
- Multiple updates to the report were made to include ample commentary space within the report as well.

All comments and data in this report refer to a version of the URAR developed and tested in 2020.

16



### New Summary Page

🔄 Fannie Mae



In the legacy form, much of the important information pertaining to the property is scattered across various pages. With the inclusion of a dedicated Summary Page in the new URAR, appraisers can easily identify key aspects in a more user-friendly manner.

**URAR** Tested in VBB

### **Key Benefits**

17

- The Summary Page presents an easy to digest method of obtaining the most pertinent information about a property.
- Sets up a designated narrative flow for the rest of the report which allows appraisers to note important pieces of the property.

| Summary         123 Fallen Oak Court           General Description         Filest Option of Value         5490,000         Effective Date         07/207           Final Volucionalition         Subject to Repair         Overall Quality         04         04           Sales Contract Price         5489,000         Overall Condition         C4         04         04           Berrower Name         May Jones         Appraiser Name         Amy All         Amy All         04 <td< th=""><th>019<br/>en<br/>praisal Management</th></td<>  | 019<br>en<br>praisal Management |  |
|---|---------------------------------|--|
| Final Oplicions of Value         5490.000         Effective Date         09/002           States Contract Price         5489.000         Overall Condition         Cd4           States Contract Price         5489.000         Overall Condition         Cd4           Derrower Wame         Mary Joints         Appraiser Name Amy Ala         Amy Ala           Assignment Reacord         Jane Doe         Comparison         Comparison         Comparison           Stating Status         Under Contract         Comparison         Comparison         Comparison         Comparison           Strain Three Under Contract         Under Contract         Comparison         Comparison         Comparison           Strain Three Under Contract         No         Detached         Property Bights Appraised         Fee Sim           Property Discription         Etachement Type         Detached         Property Bights Appraised         Fee Sim   | en<br>praisal Management        |  |
| Final Value Condition         Subject to Repair         Overall Quality         Q4           Sales Contract Price         5489,000         Overall Condition         C4           Barower Name         May Jones         Appraisal Management Company         X12 Appraisad Management Company <td>en<br/>praisal Management</td> | en<br>praisal Management        |  |
| Sales Contract Price 5488,000 Overall Condition C4 Borrower Name Mary Jones Appraises Name Amy All Michael Jones Appraises Name Amy All Correct Owner of Public Record Jane Doe Acsignment Reason Purchase Inspection Type Interior and Exterior Using Status Under Contract New Property Description Property Description Featurement Public Appraised Fee Sim   | praisal Management              |  |
| Borrower Name         Mary Joints         Appraiser Name         Anny All           Michael Jones         Appraisel Name         Anny All           Current Owner of Public Record         Jane Doe         Appraisal Management Company XV2 Appraisel Management Company XV2 Appraisel Management Company XV2 Appraised Appraised Fee Sim           Property Description         Approximation         Fee Sim   | praisal Management              |  |
| Michael Jones Michael Jones Appraisal Management Company XY2 Ap Augment Reason Purchase Compan Augment Reason Purchase Interior and Exterior Listing Status Under Contract Vear Transfer History No Property Description Property Discription Fee States Property Bights Appraised Fee Stm  | praisal Management              |  |
| Current Owner of Public Record Jane Doe Compain<br>Assignment Reason Purchase Compain<br>Listing Status Under Contract J<br>3 Year Transfer History No<br>Property Description<br>Hitschment Type Detached Property Rights Appraised Fee Sim  |                                 |  |
| Astignment Reason Purchase<br>Importion June Interior<br>Usting Status Under Contract<br>3 Year Transfer History No<br>Property Description<br>Tatchment Type Detached Property Rights Appraised Fee Sim  | лу                              |  |
| Inspection Type Interior and Exterior Using Status Under Contract Var Transfer History No Property Description Attachment Type Detached Property Rights Appraised Fee Sim   |                                 |  |
| Usting Status Under Contract 3 Year Transfer History No Property Description Attachment Type Detached Property Rights Appraised Fee Sim   |                                 |  |
| 3 Year Transfer History No Property Description Attachment Type Detached Property Rights Appraised Fee Sim  |                                 |  |
| Property Description Attachment Type Detached Property Rights Appraised Fee Sim   |                                 |  |
| Attachment Type Detached Property Rights Appraised Fee Sim  |                                 |  |
|   |                                 |  |
|   | ple                             |  |
| Project Not in a Condo or Coop Units 1  |                                 |  |
| Planned Unit Development (PUD) Yes Accessory Dwelling Units 0   |                                 |  |
| Land Owned in Common No Deed Restrictions None  |                                 |  |
| Construction Method Site Built Encroachments None   |                                 |  |
| Parcels 1   |                                 |  |
| Apparent Defects, Damages, Deficiencies Summary   |                                 |  |
| Affects<br>Defects, Habitability<br>Damages, or Structural Appraisal<br>Feature Deficiencies Location Comment Soundness Resulteme   | Estimated Cost                  |  |
| Dwelling  | пс со керап                     |  |
| Flooring Discoloration 📾 Dining Room Carpet is stained in one corner of No As Is the Dining Room.   |                                 |  |
| Roof Damaged Flashing is missing on one side of Yes Repair<br>Flashing in the house which could cause leaks<br>from the roof.   | \$500                           |  |
| Total Cost  | \$500                           |  |

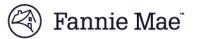
## New URAR

| Options of Warter Value<br>Options of Warter Value<br>Standards (Constraints)<br>Herein Value (Confficients)<br>Standards (Constraints)<br>Standards (Constraints)<br>Property Description<br>Constraints)<br>Property Description<br>Standards (Constraints)<br>Standards (Constrai | 499000<br>1490000<br>0420000<br>0420000<br>Ret for hot benc context<br>Ret for mode subject to the<br>odd bornour<br>Attention<br>Attention<br>Attention<br>Detached<br>0<br>0<br>0<br>0<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>1<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0   | Market Value Condi<br>Itemizadi lat of repairs<br>ad.<br>Appraiser Name<br>Overall Quality<br>Overall Condition | s or alterations below or | to Repair<br>the basis of a<br>Appraiser |
|---|---|---|---------------------------|--|
| Effective Date of Appraisal<br>Skigmment Reason<br>Borrower Name<br>Carrent Owner of Public Record<br>Cantract Price<br>Cantract Phile<br>Property Description<br>Construction Method<br>Attachment Type<br>Planned Unit Development (PUE<br>Cooperative<br>Subject Site Owned in Common<br>Unit Excluding ADUs<br>Accessory Dwelling Units   | 09/20/099  Purchate  Retry Remover  Betry Remover  Betry Remover  Sea Buft  Detached  Detached  | Appraiser Name  | Q4                        | Appraiser                                |
| ksignment Reason<br>Borrower Name<br>Contract Price<br>Listing Status<br>Property Description<br>Construction Method<br>Construction Method<br>Attachment Type<br>Planned Unit Development (PUE<br>Condominium<br>Cooperative<br>Disject Site Ormed in Common<br>Units Excluding ADUs<br>Accessory Dwelling Units   | Purchase<br>Bety Benover<br>Bob Bornwer<br>Jane Dee<br>Hending<br>Detached<br>Detached<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent<br>Percent | Overall Quality   | Q4                        |  |
| Current Owner of Public Record<br>Contract Price<br>Listing Status<br>Construction Method<br>Construction Method<br>Attachment Type<br>Planned Unit Development (PUC<br>Condominium<br>Cooperative<br>Dubject Site Owned in Common<br>Units Excluding ADUs<br>Accessory Dwelling Units  | Bob Bonwer<br>Jane Doe<br>Stell 2000<br>Prending<br>Stell Buft<br>Detached<br>Detached<br>0   |   |                           |  |
| Contract Price<br>Listing Status<br>Property Description<br>Construction Method<br>Attachment Type<br>Planned Unit Development (PUC<br>Condominium<br>Cooperative<br>Subject Site Owned in Common<br>Units Excluding ADUS<br>Accessory Dwelling Units   | Jane Doe<br>5489000<br>Pending<br>Detached<br>0<br>9  |   |                           |  |
| Contract Price<br>Listing Status<br>Property Description<br>Construction Method<br>Attachment Type<br>Planned Unit Development (PUC<br>Condominium<br>Cooperative<br>Subject Site Owned in Common<br>Units Excluding ADUS<br>Accessory Dwelling Units   | 5480000<br>Pending<br>Detached<br>0<br>1<br>0   |   |                           |  |
| Property Description<br>Construction Method<br>Attachment Type<br>Planned Unit Development (PUC<br>Condominium<br>Cooperative<br>Subject Site Owned in Common<br>Units Excluding ADUS<br>Accessory Dwelling Units   | Site Built<br>Detached<br>9   |   |                           |  |
| Construction Method<br>Attachment Type<br>Planned Unit Development (PUE<br>Condominium<br>Subject Site Owned in Common<br>Units Excluding ADUs<br>Accessory Dwelling Units  | Detached<br>Yes No<br>0   |   |                           |  |
| Construction Method<br>Attachment Type<br>Planned Unit Development (PUE<br>Condominium<br>Subject Site Owned in Common<br>Units Excluding ADUs<br>Accessory Dwelling Units  | Detached<br>Yes No<br>0   |   |                           |  |
| Planned Unit Development (PUC<br>Condominium<br>Cooperative<br>Subject Site Owned in Common<br>Units Excluding ADUs<br>Accessory Dwelling Units   | ) Yes No<br>V .<br>V .<br>V .<br>V .<br>V .<br>1<br>0   | Overall Condition   | ä                         |  |
| Condominium<br>Cooperative<br>Subject Site Owned in Common<br>Units Excluding ADUs<br>Accessory Dwelling Units  |   |   | . 10                      |  |
| Apparent Defects, Damages.  | Deficiencies Requiring Action   |   |                           |  |
| Feature Location  | Description   | Affects Soundn<br>or Structural<br>Integrity  | Recommended<br>Action     | Estimated Co<br>Repair                   |
|   |   |   |                           |  |
| Roof ERI Section of root  | Damaged roof with missing flash<br>leaving the roof permeable to w  | ing Yes<br>iter   | Repair                    |  |
|   | intrusion.  |   | Total Co                  | -1                                       |
|   |   |   |                           |  |

All comments and data in this report refer to a version of the URAR developed and tested in 2020.



### New Summary Page





Generally, stakeholders responded favorably to the inclusion of the Summary Page due to its ability to create an easy-to-absorb snapshot of the most important information in the appraisal.

### **Stakeholder Input**

"I like that **at a glance** you can get an idea about the property and transaction. It brings **all of the pertinent appraisal details to the forefront** in an easy to comprehend fashion, including **notable items that may require further action**." – Other

"Sales Comparison Summary 'grid' and photos **should be removed** from this page." – Lender

*"I would suggest moving the fields with names to the right."* – Vendor

### Impact on New URAR Design

- Respondents on the VBBs liked the formatting and design of the summary page but requested some edits to the order of the information presented.
- In response to this, some sections were reordered to increase clarity and reusability.
- Terminology such as "Effective Date of Appraisal" and "No. of Spaces" were included in order to add clarity.

18







### **Photo Placement Within Relevant Section**

The placement of photos is one of the most noticeable changes that stakeholders saw when looking at the URAR tested in VBB. In the legacy form, photos were shown at the end, whereas in the new URAR they are shown in the relevant sections.

### **Key Benefits**

- ✓ Photos being placed within their relevant sections instead of having them at the end of the report provides more context to that section and allows the photos to make more sense to the user.
- Readability is improved with the new placement of the visuals. This allows the end-user to more efficiently take in the important information in the new URAR and understand it better.

| Dwelling Exterior                                     |  |   |  |  |
|---|--|---|--|--|
| General Description                                   |  |   | Dwelling Exterior - Subject Left Side  | Dwelling Exterior - Subject Additional Front View  |
| Structure Design                                      | Mid Rise                               |   |  | the second of the second of the second of the second of the  |
| Hoors in Building                                     | 8                                      | - Provide Particular Contract                                       |  | the lower of the second s |
| Elevators in Building                                 | 2                                      |   |  |  |
| Year Built  | 1973 (estimated)                       |   |  |  |
| Construction Stage                                    | Complete                               | CONTRACT CONTRACT   |  |  |
| Construction Method                                   | Sile Built                             |   |  |  |
|   |  |   |  |  |
| FunctionalObsolescence                                |  |   |  |  |
| Functional Issues                                     | None                                   |   |  |  |
|   |  |   | Here and the second |  |
| Apparent Defects, Damag<br>None                       | es, Deliciencies (Dwelling Exte        | rior)   |  |  |
|   |  |   |  |  |
| Dwelling Commentary                                   |  | stal areas that have been updated. Thereware no noticeable areas of |  |  |
| defects within the structure the<br>Dwelling Exhibits | strequired repairs at the time of insp | rection   | Dwelling Exterior - Subject Right Side   | Apparent Defects, Damages, Deficiencies<br>Roof - Damaged Flashing   |
| Dwelling SubjectFreet                                 |  | Deeling Subjecture  |  |  |
|   |  |   |  |  |

**URAR Tested in VBB** 

All comments and data in this report refer to a version of the URAR developed and tested in 2020.

19







### **Photo Placement Within Relevant Section**

Stakeholders were extremely satisfied with the new placement of photos within the URAR tested in VBB. Key benefits cited by stakeholders were satisfaction with the additional context that the visuals provided to the text, overall understanding of the property, and better flow.

### **Stakeholder Input**

"I believe the layout strikes the right balance between information given in the description along with supporting pictures to document the description." – Trade/Industry Association

"Including the exterior **photos with the description helps with overall understanding** of the property." – Lender

"Like the layout and the differentiated sections within it that prompts the appraiser to provide all of the necessary information. The order of the information flows well. **Very helpful to have the exterior photos here rather than at the end** of the report."

- Other

### Impact on New URAR Design

- These positive comments on photos in the tested version of the report reaffirmed the decision to place the photos within certain sections instead of at the end.
- More photos were also included into the final report that were not in the tested version as a result of this positive feedback from respondents.







### **Section Order Updates**

There is a vast amount of information in the new URAR, and it is crucial for this information to be laid out a highly logical and clear way. One example of a section order update is that the "Approaches to Value" and "Appraisal Summary" sections under "Reconciliation" were reordered.

### **Key Benefits**

- ✓ Order updates allow the new URAR to flow more logically and provide more clarity.
- ✓ Updates also allow the most important or pertinent information to be shown first in any given tab.

### **URAR Tested in VBB**

|                     | l Summary   |           |  |                                 |  |  |              |                          |                                |
|---------------------|---|-----------|--|---------------------------------|--|--|--------------|--------------------------|--------------------------------|
| Opinion o           | f Market Value                                    |           | \$490,000  |                                 | Market or Exposure                                       |  | R            | Reasonable Expos         | ure Time                       |
| Appraisal           | Report Effective                                  | Date      | 09/20/2019                                       |                                 | Time   |  | 0            | -90 Days                 |                                |
| Market Va           | lue Condition                                     |           | Subject to Repair                                |                                 |  |  |              |                          |                                |
|                     |   |           | 'his appraisal is made<br>rs or alterations have |                                 | to the itemized list of repairs<br>mpleted.              | or alterat                                 | ons be       | low on the basis o       | ofa                            |
| Reconcil            | iation Comment                                    | ary       |  |                                 |  |  |              |                          |                                |
| The Sales (         | Comparison Appro                                  | ach is th | e only approach give                             | en weigh                        | t in this report. This area is hi                        | ghly mark                                  | et drive     | en.                      |                                |
| A                   | h to Value  |           |  |                                 |  |  |              |                          |                                |
| Approac             | n to value  |           |  |                                 | e  |  |              |                          |                                |
| Indicated V         | -hue  | Sales     | Comparison Approa                                | acn                             | Cost Approach  |  | Incon        | ne Approach              |                                |
| Reason for l        | ind c   | \$490,00  | 00   |                                 | Not Necessary for Credible Re                            | esults Not Necessary for Credib            |              | o Posulte                |                                |
|                     | -Actuation  |           |  |                                 |  |  |              |                          |                                |
|                     |   |           |  |                                 |  |  |              | ,                        |                                |
| Itemized            | List of Repairs                                   |           |  |                                 |  |  |              | ,                        |                                |
| Itemized<br>Feature | List of Repairs<br>Defects, Damag<br>Deficiencies | jes,      | Location   | Con                             | nment  | Affects<br>Livabili<br>Structu<br>Integrit | ty or<br>ral | Appraisal<br>Requirement | Estimated<br>Cost to<br>Repair |
| Feature             | Defects, Damag                                    | jes,      | Location   | Con                             | nment  | Livabili<br>Structu                        | ty or<br>ral | Appraisal                | Cost to                        |
| Feature<br>Dwelling | Defects, Damag                                    | jes,      | Location<br>Dining Room                          | Carp                            | nment<br>bet is stained in one corner of<br>Dining Room. | Livabili<br>Structu                        | ty or<br>ral | Appraisal                | Cost to                        |
|                     | Defects, Damag<br>Deficiencies                    |           | Location   | Carp<br>the I<br>Flash<br>the h | pet is stained in one corner of                          | Livabili<br>Structu<br>Integrit            | ty or<br>ral | Appraisal<br>Requirement | Cost to                        |

#### All comments and data in this report refer to a version of the URAR developed and

### **New URAR**

| Approacties t   | o Value  |   |   |   |                               |
|---|--|---|---|---|-------------------------------|
|   |  | Sales Comparison Approach   | Income Approach   | Cost Ap   | proach                        |
| Indicated Value   |  | 490,000   |   |   |                               |
| Reason for Exclusi  | ion  |   | Not Necessary for Credible  | Results Not Nece                                      | essary for Credible Results   |
| Appraisal Sur   | nmary  |   |   |   |                               |
| Contract Price  |  | \$489,000   | Reasonable Exposure Time 0–90 Days  |   |                               |
| Opinion of Market Value   |  | \$490,000   | As Is Overall Conditio  | n Rating C5   |                               |
| Effective Date  | of Value   | 09/20/2019  | Existing condition of the   | property as of the el                                 | ffective date of this         |
| Market Value C  | ondition   | Subject to Repair   | appraisal, excluding all r  |   |                               |
| hypothetical con<br><b>Reconciliatio</b><br>The Sales Comp  | ndition that the repain<br>n of Market Value<br>arison Approach is th  | irs or alterations have been com<br>ne only approach given weight i   |   |   | on the basis of a             |
| hypothetical con<br><b>Reconciliatio</b><br>The Sales Comp  | ndition that the repain of Market Value  | irs or alterations have been com<br>ne only approach given weight i   | pleted,   | hly market driven.                                    |                               |
| hypothetical con<br>Reconciliation<br>The Sales Comp<br>Apparent Def                                    | ndition that the repain<br>n of Market Value<br>arison Approach is th  | irs or alterations have been com<br>ne only approach given weight i   | pleted,<br>n this report. This area is high<br>Affects Soundne  | hly market driven.                                    |                               |
| hypothetical con<br>Reconciliation<br>The Sales Comp<br>Apparent Def<br>Feature                         | ndition that the repain<br>n of Market Value<br>Parison Approach is the state of the stat | irs or alterations have been com<br>ne only approach given weight i<br>eficiencies  | pleted,<br>h this report. This area is high<br>Affects Soundne<br>or Structural                                   | hly market driven.<br>SS<br>Recommende                | d Estimated Cost to           |
| hypothetical con<br><b>Reconciliatio</b><br>The Sales Comp  | ndition that the repain<br>n of Market Value<br>Parison Approach is the state of the stat | irs or alterations have been com<br>ne only approach given weight i<br>eficiencies  | pleted.<br>https:report. This area is high<br>Affects Soundne<br>or Structural<br>Integrity                       | hly market driven.<br>SS<br>Recommende                | d Estimated Cost to           |
| hypothetical con<br>Reconciliation<br>The Sales Comp<br>Apparent Def<br>Feature<br>Dwelling             | ndition that the repa<br>n of Market Value<br>arison Approach is th<br>fects, Damages, D<br>Location   | irs or alterations have been com<br>he only approach given weight i<br><b>eficiencies</b><br><b>Description</b><br>Carpiet is stained in one com  | nthis report. This area is high<br>Affects Soundine<br>or Structural<br>Integrity<br>er of the No<br>flashing Yes | hly market driven.<br>ss<br>Recommende<br>Action      | d Estimated Cost to<br>Repair |
| hypothetical con<br>Reconciliation<br>The Sales Comp<br>Apparent Def<br>Feature<br>Dwelling<br>Flooring | ndition that the repa<br>n of Market Value<br>arison Approach is th<br>fects, Damages, D<br>Location<br>Dining Room  | irs or alterations have been com<br>the only approach given weight i<br><b>eficiencies</b><br>Description<br>Carpet is stained in one com<br>Dining Room.<br>Damaged roof with missing<br>leaving the roof permetable | nthis report. This area is high<br>Affects Soundine<br>or Structural<br>Integrity<br>er of the No<br>flashing Yes | hly market driven.  S Recommende Action  None  Repair | d Estimated Cost to           |



### **Section Order Updates**





Stakeholders suggested various areas throughout where the section order could be changed to create a more logical flow. This created an opportunity for the new URAR to show information in an order that makes the most sense for end-users.

### **Stakeholder Input**

"We might **recommend switching the order of sections** and putting 'Approaches to Value' section first, followed by 'Appraisal Summary'...This would facilitate a natural 'funnel down' to the opinion of value."

- Vendor

**"The order of some of the fields could be rearranged** to improve the flow of information. I would suggest **moving the assignment reason up**, under the market value condition and before sales contract price.."

– Lender

"I would change the order of presentation of data... It seems more logical and less disjointed." – SME

### Impact on New URAR Design

- The new URAR features many of the suggested reorder updates made by respondents to improve the clarity of the report.
- Some sections in the report were also split into multiple sections or renamed. For example, the Dwelling tab was split into Dwelling Exterior and Unit Interior.







### **Descriptions Without Abbreviations**

The legacy form included little room for descriptions and often had to resort to using unclear abbreviations and free form text to display characteristics about the property. In the new URAR, readability is increased by using full descriptions without abbreviations.

### **Key Benefits**

- Subjectivity reduced by replacing text with clearly defined elements.
- Areas for text are now more uniform and accessible.

### Legacy Form

| General Description                           | Foundation                                       | Exterior Description materials/condition        | Interior materials/condition  |
|---|--|---|-------------------------------|
| Units One One with Accessory Unit             | Concrete Slab Crawl Space                        | Foundation Walls                                | Floors                        |
| # of Stories                                  | Full Basement Partial Basement                   | Exterior Walls                                  | Walls                         |
| Type Det. Att. S-Det/End Unit                 | Basement Area sq. ft.                            | Roof Surface                                    | Trim/Finish                   |
| Existing Proposed Under Const.                | Basement Finish %                                | Gutters & Downspouts                            | Bath Floor                    |
| Design (Style)                                | Outside Entry/Exit Sump Pump                     | Window Type                                     | Bath Wainscot                 |
| Year Built                                    | Evidence of Infestation                          | Storm Sash/Insulated                            | Car Storage  None             |
| Effective Age (Yrs)                           | Dampness Settlement                              | Screens   | Driveway # of Cars            |
| Attic None                                    | Heating FWA HWBB Radiant                         | Amenities Woodstove(s) #                        | Driveway Surface              |
| Drop Stair Stairs                             | Other Fuel                                       | Fireplace(s) # Fence                            | Garage # of Cars              |
| Floor Scuttle                                 | Cooling Central Air Conditioning                 | Patio/Deck Porch                                | Carport # of Cars             |
| Finished Heated                               | Individual Other                                 | Pool Other                                      | Att. Det. Built-in            |
| Appliances Refrigerator Range/Ove             | n Dishwasher Disposal Microwave                  | e Washer/Dryer Other (describe)                 |                               |
| Finished area above grade contains:           | Rooms Bedrooms                                   | Bath(s) Square Feet of 0                        | Gross Living Area Above Grade |
| Additional features (special energy efficient | items, etc.)                                     |   |                               |
|   |  |   |                               |
| Describe the condition of the property (inclu | uding needed repairs, deterioration, renovati    | ons, remodeling, etc.).                         |                               |
|   |  |   |                               |
|   |  |   |                               |
|   |  |   |                               |
|   |  |   |                               |
| Are there any physical deficiencies or adve   | rse conditions that affect the livability, sound | Iness, or structural integrity of the property? | Yes 🗌 No If Yes, describe     |
|   |  |   |                               |
|   |  |   |                               |
| -   |  |   |                               |
| Does the property generally conform to the    | neighborhood (functional utility, style, condit  | tion, use, construction, etc.)? Yes No          | If No, describe               |
|   |  |   |                               |
| All comments and data                         | in this report refer to a ve                     | raion of the LIDAD develope                     | - d                           |
| All comments and data                         | i in this report refer to a ve                   | ersion of the URAR develope                     | ia io                         |

### **New URAR**

| Dwelling E  | ixterior   |  |   |  |   |   |   |
|---|--|--|---|--|---|---|---|
| Dwelling S  | tyle   | C  | Colonial  |  | Sector 2                                    | 1. S. M   | 1 Mar 1998 Mar 1997   |
| Year Built  |  | 2  | 2004  |  |   | Maria .   | and the second second   |
| Construction  | on Method  | S  | Site Built  |  |   | and the second  | AL COMPANY  |
| Converted   |  |  | None  |  |   |   | <u>Eus</u>  |
| Quanty an   | nd Condition   |  |   |  |   |   |   |
| Exterior Qu   | uality Rating  |  | Q4<br>Exterior Quality ar   | Exterior Condition Ratings   | Conditio                                    | n Rating C4   |   |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature   | uality Rating<br>elow provide su<br>atures   | Detail   |   | d Exterior Condition Ratings<br>Quality Comment  | Cond  | ition Status  | Condition Comment   |
| Exterior Qu<br>The tables b<br>Exterior Fe  | uality Rating<br>elow provide su<br>atures   | oport to the   |   | nd Exterior Condition Ratings  | Cond  |   |   |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature   | uality Rating<br>elow provide su<br>atures   | Detail<br>Vinyl  |   | d Exterior Condition Ratings<br>Quality Comment  | Cond<br>Typica                              | ition Status  | Condition Comment<br>Minor cracks to vinyl typical  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Walk  | uality Rating<br>elow provide su<br>atures   | Detail Vinyl Poured Co   | Exterior Quality ar   | d Exterior Condition Ratings<br>Quality Comment<br>Add comment if needed.  | Cond<br>Typica<br>Typica<br>Dama            | <b>ition Status</b><br>I Wear and Tear  | Condition Comment<br>Minor cracks to vinyl typical<br>for age.  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Walls<br>Foundation   | uality Rating<br>elow provide su<br>atures   | Detail Vinyl Poured Co   | Exterior Quality an   | d Exterior Condition Ratings Quality Comment Add comment if needed. Add comment if needed.   | Cond<br>Typica<br>Typica<br>Dama<br>Non-fr  | ition Status<br>Wear and Tear<br>Wear and Tear<br>red and                                   | Condition Comment<br>Minor cracks to vinyl typical<br>for age.<br>Add comment if needed.<br>Damaged roof with missing<br>flashing leaving the roof  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Wall<br>Foundation<br>Roof<br>Windows                                   | a <b>lity Rating</b><br>elow provide su<br><b>atures</b><br>s and Trim   | Detail<br>Vinyl<br>Poured Co<br>Compositio                             | Exterior Quality an   | d Exterior Condition Ratings<br>Quality Comment<br>Add comment if needed.<br>Add comment if needed.<br>Add comment if needed.                        | Cond<br>Typica<br>Typica<br>Dama<br>Non-fr  | Ition Status<br>I Wear and Tear<br>I Wear and Tear<br>ged and<br>unctional                  | Condition Comment<br>Minor cracks to vinyl typical<br>for age.<br>Add comment if needed.<br>Damaged roof with missing<br>flashing leaving the roof<br>permeable to water intrusion  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Wall:<br>Foundation<br>Roof<br>Windows                                  | allty Rating<br>elow provide su<br>atures<br>s and Trim<br>al System De  | Detail<br>Vinyl<br>Poured Co<br>Compositie<br>tails                    | Exterior Quality ar   | d Exterior Condition Ratings<br>Quality Comment<br>Add comment if needed.<br>Add comment if needed.<br>Add comment if needed.<br>Thermal Double Hung | Cond<br>Typica<br>Dama<br>Non-fri<br>Typica | ition Status<br>Wear and Tear<br>IWear and Tear<br>ged and<br>unctional<br>IWear and Tear   | Condition Comment<br>Miner cracks to vinyl typical<br>for age.<br>Add comment if needed.<br>Damaged root with missing<br>flashing leaving the root<br>permeable to water intrusion<br>Add comment if needed.  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Walle<br>Foundation<br>Roof<br>Windows<br>Mechanic                      | allty Rating<br>elow provide su<br>atures<br>s and Trim<br>al System De<br>System  | Detail Vinyl Poured Co Compositie tails                                | Exterior Quality ar   | d Exterior Condition Ratings<br>Quality Comment<br>Add comment if needed.<br>Add comment if needed.<br>Add comment if needed.<br>Thermal Double Hung | Cond<br>Typica<br>Dama<br>Non-fri<br>Typica | ition Status<br>I Wear and Tear<br>ged and<br>unctional<br>I Wear and Tear<br>I Systems Sur | Condition Comment<br>Minor cracks to vinyl typical<br>for age.<br>Add comment if needed.<br>Damaged nod with missing<br>flashing leaving the roof<br>permeable to water intrusion<br>Add comment if needed.<br>mp Pump                                  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Wall:<br>Foundation<br>Roof<br>Windows                                  | ality Rating<br>elow provide su<br>atures<br>s and Trim<br>al System De<br>System<br>Forced Warr   | Detail Vinyl Poured Co Compositie tails                                | Exterior Quality ar   | d Exterior Condition Ratings<br>Quality Comment<br>Add comment if needed.<br>Add comment if needed.<br>Add comment if needed.<br>Thermal Double Hung | Cond<br>Typica<br>Dama<br>Non-fri<br>Typica | ition Status<br>I Wear and Tear<br>ged and<br>unctional<br>I Wear and Tear<br>I Systems Sur | Condition Comment<br>Miner cracks to vinyl typical<br>for age.<br>Add comment if needed.<br>Damaged root with missing<br>flashing leaving the root<br>permeable to water intrusion<br>Add comment if needed.  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Walk<br>Foundation<br>Roof<br>Windows<br>Mechanic<br>Heating            | ality Rating<br>elow provide su<br>atures<br>s and Trim<br>al System De<br>System<br>Forced War<br>Heat Pump   | Detail Vinyl Poured Co Compositie tails                                | Exterior Quality ar   | d Exterior Condition Ratings<br>Quality Comment<br>Add comment if needed.<br>Add comment if needed.<br>Add comment if needed.<br>Thermal Double Hung | Cond<br>Typica<br>Dama<br>Non-fri<br>Typica | ition Status<br>I Wear and Tear<br>ged and<br>unctional<br>I Wear and Tear<br>I Systems Sur | Condition Comment<br>Minor cracks to vinyl typical<br>for age.<br>Add comment if needed.<br>Damaged nod with missing<br>flashing leaving the roof<br>permeable to water intrusion<br>Add comment if needed.<br>mp Pump                                  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Walle<br>Foundation<br>Roof<br>Windows<br>Mechanic                      | ality Rating<br>elow provide su<br>atures<br>s and Trim<br>al System De<br>System<br>Forced Warn<br>Heat Pump<br>Centralized                           | Detail Vinyl Poured Co Compositie tails                                | Exterior Quality ar   | d Exterior Condition Ratings<br>Quality Comment<br>Add comment if needed.<br>Add comment if needed.<br>Add comment if needed.<br>Thermal Double Hung | Cond<br>Typica<br>Dama<br>Non-fri<br>Typica | ition Status<br>I Wear and Tear<br>ged and<br>unctional<br>I Wear and Tear<br>I Systems Sur | Condition Comment<br>Minor cracks to vinyl typical<br>for age.<br>Add comment if needed.<br>Damaged nod with missing<br>flashing leaving the roof<br>permeable to water intrusion<br>Add comment if needed.<br>mp Pump                                  |
| Exterior Qu<br>The tables b<br>Exterior Fe<br>Feature<br>Exterior Walk<br>Foundation<br>Roof<br>Windows<br>Mechanic<br>Heating<br>Cooling | ality Rating<br>elow provide su<br>atures<br>and Trim<br>al System De<br>System<br>Forced War<br>Heat Pump<br>Centuilized<br>Heat Pump<br>Defects, Dar | Detail<br>Vinyi<br>Poured Co<br>Compositie<br>tails<br>D<br>n Air<br>E | Exterior Quality or<br>socrete   Basement<br>foro   11-20 Years<br>Detail<br>datural Gas<br>clicetric<br>cficiencies (Dwe | d Exterior Condition Ratings Quality Comment Add comment if needed. Add comment if needed. Add comment if needed. Thermal Double Hung Other Me       | Cond<br>Typica<br>Dama<br>Non-fri<br>Typica | ition Status<br>I Wear and Tear<br>ged and<br>unctional<br>I Wear and Tear<br>I Systems Sur | Condition Comment<br>Miner cracks to vinyl typical<br>for age.<br>Add comment if needed.<br>Damaged rood with missing<br>flashing leaving the roof<br>permeable to water intrusion<br>Add comment if needed.<br>mp Pump<br>ter Heater<br>or Recommended |

This communication relates to the Uniform Mortgage Data Program®, an effort undertaken jointly by Fannie Mae and Freddie Mac at the direction of the Federal Housing Finance Agency.

23 and tested in 2020.







### **Descriptions Without Abbreviations**

Stakeholders liked the increased legibility within the URAR tested in VBB. They also appreciated the dedicated space to increase readability and layout of the design.

### Stakeholder Input

"The ease in locating information. Again, the layout is the strongest part." – Trade/Industry Association

"The strongest part of the layout is that **its easy to read**. Not too much information on one page." – Trade/Industry Association

> "Much easier to read than current format." – Lender

"The manufactured home section is **very detailed and laid out in a logical sequence** which makes it easy to read and understand. **Critical information is readily visible**." – SME

### Impact on New URAR Design

- The overall layout remained largely unchanged. Based on stakeholder feedback, language and formatting in the report were kept consistent throughout.
- Due to this, the report does not display too much information at once and is spaced appropriately.

24



### **Data Standardization**

Fannie Mae Fred

Freddie Mac

In place of free-form text, discrete data in the new URAR provides the proper foundation to allow for the needed flexibility required to support future modernization projects.

### **Key Benefits**

- ✓ Machine readable data allows for better identification of key indicators, increasing productivity.
- ✓ Data in the new URAR is more objective, reducing the chance of repurchasing due to incorrect ratings applied by the appraiser.

|                                       | _       | _        | _       |                |        | E       | acy                   |                |          |         |                    | _              | _      | _       |                   |
|---------------------------------------|---------|----------|---------|----------------|--------|---------|-----------------------|----------------|----------|---------|--------------------|----------------|--------|---------|-------------------|
|                                       |         |          | Un      | ifo            | rm     | Re      | sidential             | Ар             | pra      | isa     | l Report           |                | File # |         |                   |
| There are compara                     | ble pro | perties  |         |                |        |         | the subject neighborh |                |          |         |                    |                | to \$  |         |                   |
| There are compara                     | ble sal | es in th | e subje | ct neig        | hborho | od with | in the past twelve mo | onths n        | anging i | n sale  | price from \$      |                | t      | o \$    |                   |
| FEATURE                               | 5       | SUBJEC   | т       |                | COM    | PARAE   | BLE SALE # 1          |                | COM      | ARAB    | LE SALE # 2        |                | COM    | PARAB   | LE SALE # 3       |
| Address                               |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Proximity to Subject                  |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Sale Price                            | \$      |          |         |                |        |         | \$                    |                |          |         | \$                 |                |        |         | \$                |
| Sale Price/Gross Liv. Area            | \$      |          | sq. ft. | \$             |        | sq. ft. |                       | \$             |          | sq. ft. |                    | \$             |        | sq. ft. |                   |
| Data Source(s)                        |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Verification Source(s)                |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| VALUE ADJUSTMENTS                     | DE      | SCRIPT   | ION     | DE             | SCRIPT | ION     | +(-) \$ Adjustment    | DE             | SCRIPT   | ION     | +(-) \$ Adjustment | DE             | SCRIPT | ION     | +(-) \$ Adjustmen |
| Sale or Financing<br>Concessions      |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Date of Sale/Time                     |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Location                              |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Leasehold/Fee Simple                  |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Site                                  |         |          |         | -              |        |         |                       |                |          |         |                    |                |        |         |                   |
| View                                  |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Desian (Style)                        |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Quality of Construction               |         |          |         |                |        |         |                       | -              |          |         |                    |                |        |         |                   |
| Actual Age                            |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Condition                             |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Above Grade                           | Total   | Bdrms.   | Baths   | Total          | Bdrms. | Baths   |                       | Total          | Bdrms.   | Baths   |                    | Total          | Bdrms. | Baths   |                   |
| Room Count                            |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Gross Living Area                     |         |          | sq. ft. |                |        | sq. ft. |                       |                |          | sa. ft. |                    |                |        | sq. ft. |                   |
| Basement & Finished                   |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Rooms Below Grade                     |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Functional Utility                    |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Heating/Cooling                       |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Energy Efficient Items                |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Garage/Carport                        |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Porch/Patio/Deck                      |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
|                                       |         |          |         |                |        |         |                       |                |          |         |                    |                |        |         |                   |
| Net Adjustment (Total)                |         |          |         |                |        | ]-      | s                     |                |          | ].      | s                  |                |        | ]-      | \$                |
| Adjusted Sale Price<br>of Comparables |         |          |         | Net A<br>Gross |        | %<br>%  | s                     | Net A<br>Gross |          | %<br>%  | s                  | Net A<br>Gross |        | %<br>%  | s                 |

Legacy Form

|                                    | Subject Property                                      | Comparable #1                             |              | Comparab                                  | lo #2        | Comparable #3                             |            |  |  |
|------------------------------------|---|---|--------------|---|--------------|---|------------|--|--|
| General Information                |   |   |              |   |              |   |            |  |  |
| Property Address                   | 123 Fallen Oak Ct.<br>Smallville, VA 12345            | 241 Rapid Creek Lr<br>Smallville, VA 1234 |              | 188 Fallen Oak Ct.<br>Smallville, VA 1234 | 15           | 210 Cannon Ball Rd<br>Smallville, VA 1234 |            |  |  |
|                                    |   |   | in a         |   |              |   | Ľ          |  |  |
| Data Source                        | _   | MLS 123456 Pu                             | blic Record  | MLS 33A245 Pt                             | ublic Record | MLS 678A12 Pu                             | blic Recor |  |  |
| Proximity to Subject               |   |   | .17 Miles N  |   | .06 Miles N  |   | .4 Miles N |  |  |
| List Price                         | \$489,000   |   | \$460,000    |   | \$449,900    |   | \$525,00   |  |  |
| Listing Status                     | Pending   |   | Settled Sale |   | Settled Sale | Settled                                   |            |  |  |
| Contract/Sale Price                | \$489,000   |   | \$460,000    |   | \$450,000    |   | \$520,00   |  |  |
| Sales Concessions                  | \$5,000   | \$8,500                                   | \$0          | \$11,000                                  | \$0          | \$10,400                                  | 5          |  |  |
| Contract Date                      | 09/17/2019  | 07/22/2019                                |              | 08/05/2019                                |              | 07/02/2019                                |            |  |  |
| Closing Date                       |   | 08/17/2019                                |              | 09/10/2019                                |              | 08/31/2019                                |            |  |  |
| Days on Market                     | 12  | 12  |              | 6   |              | 14  |            |  |  |
| Property Rights Appraised          | Fee Simple  | Fee Simple                                |              | Fee Simple                                |              | Fee Simple                                |            |  |  |
|                                    |   |   |              |   |              |   |            |  |  |
| Site                               |   |   |              |   |              |   |            |  |  |
| Site Size                          | 14,950 Sq. Ft.  | 17,886 Sq. Ft.                            | \$0          | 13,038 Sq. Ft.                            | \$0          | 16,039 Sq. Ft.                            | s          |  |  |
| Neighborhood Name                  | Sunnyside   | Sunnyside                                 | -            | Sunnyside                                 |              | Hilldale                                  | s          |  |  |
| Topography                         | Rolling   | Rolling                                   |              | Rolling                                   |              | Flat                                      | \$(2,00    |  |  |
| Site Influence (Location)          | Residential   | Residential                               |              | Busy Roadway                              | \$5,000      | Residential                               |            |  |  |
| View Range                         | Residential   Full                                    | Residential   Full                        |              | Residential   Full                        |              | Residential   Full                        |            |  |  |
|                                    |   |   |              |   |              |   |            |  |  |
| Dwelling(s)                        |   |   |              |   |              |   |            |  |  |
| Year Built                         | 2004  | 2004                                      |              | 2004                                      |              | 2001                                      |            |  |  |
| Dwelling Style                     | Colonial  | Colonial                                  |              | Colonial                                  |              | Colonial                                  |            |  |  |
| Heating                            | Forced Warm Air   Natural Gas<br>Heat Pump   Electric | Forced Warm Air<br>Natural Gas            | \$0          | Forced Warm Air<br>Natural Gas            | \$0          | Forced Warm Air<br>Natural Gas            | \$         |  |  |
| Cooling                            | Centralized   | Centralized                               | <u> </u>     | Centralized                               |              | Centralized                               |            |  |  |
|                                    |   |   |              |   |              |   |            |  |  |
| <b>Energy Efficient and Green</b>  | Features  |   | \$0          |   | \$0          |   | 1          |  |  |
| Efficiency Rating                  | RESNET HERS   62                                      | None                                      |              | RESNET HERS   61                          |              | None                                      |            |  |  |
|                                    |   |   |              |   |              |   |            |  |  |
| Units                              |   |   |              |   |              |   |            |  |  |
| Location                           | Onemay  | omening                                   |              | oncing                                    |              | o mening                                  |            |  |  |
| Bedrooms                           | 5   | 4   | \$10,000     | 4   | \$10,000     | 4   | \$10,0     |  |  |
| Baths Full   Half                  | 3 1   | 2 1                                       | \$10,000     | 2 2                                       | \$5,000      | 3 1                                       |            |  |  |
| Finished Area Above<br>Grade (GLA) | 3.002 Sq. Ft.   | 3,260 Sq. Ft.                             | (\$10,300)   | 2,804 Sq. Ft.                             | \$7,900      | 2,816 Sq. Ft.                             | \$7,4      |  |  |
| Finished Area Below Grade          | 1,300 Sq. Ft.   | 0 Sq. Ft.                                 | \$26,000     | 1,200 Sq. Ft.                             | \$2,000      | 1,328 Sq. Ft.                             |            |  |  |
| Unfinished Area<br>Below Grade     | 230 Sq. Ft.   | 1,624 Sq. Ft.                             | (\$13,940)   | 66 Sq. Ft.                                | \$1,640      | 148 Sq. Ft.                               |            |  |  |
| Basement Access                    | Walk Out  | Walk Up                                   | \$2,000      | Walk Up                                   | \$2,000      | Walk Out                                  |            |  |  |

### **New URAR**

This communication relates to the Uniform Mortgage Data Program®, an effort undertaken jointly by Fannie Mae and Freddie Mac at the direction of the Federal Housing Finance Agency.



### **USPAP** Compliance

The legacy form missed opportunities to align with USPAP, such as helping to ensure consistency across verbiage and relevant data points. Aligning the new URAR with USPAP means that all reports follow the same guidelines related to wording and compliance.

### **Key Benefits**

- ✓ USPAP compliance supports inclusion of all necessary data points.
- Subjectivity reduced by replacing text with clearly defined elements.

### **New URAR**

### **Cert-5 Variations for Onsite Inspections**

5. I personally performed an onsite inspection of the interior and exterior areas of the subject property. I reported the readily observable condition of the improvements in factual, specific terms. I identified and reported any known physical deficiencies that could affect the soundness or structural integrity of the property.

5. I personally performed an inspection of the exterior areas of the subject property from at least the street. I reported the readily observable condition of the improvements in factual, specific terms. I reported any known physical deficiencies that could affect the soundness or structural integrity of the property.

5. I did not personally perform an onsite inspection of the subject property as part of this appraisal assignment. I reported the condition of the improvements in factual, specific terms, relying on subject property information data sources I considered reliable. I reported any known physical deficiencies that could affect the soundness or structural integrity of the property.

### **Highest and Best Use**

Fannie Mae

**Freddie Mac** 

| s the present use of the sub                          | iect property |  |                         |                        |
|---|---------------|--|-------------------------|------------------------|
| egally Permissible                                    | Yes           | Financially Feasible                       | Yes                     |                        |
| Physically Possible                                   | Yes           | Maximally Productive                       | Yes                     |                        |
| s the highest and best use<br>Highest and Best Use Co |               | improved (or as proposed per plans and spe | ecifications) the prese | Yes No<br>ent use? 🗹 🗌 |

### **Cert-26 Variations for Prior Services**

26. I have not performed any service regarding the subject property within the three years preceding the agreement to perform this assignment.

26. I have performed services regarding the subject property within the three years preceding the agreement to perform this assignment.

Description of Prior Services:

All comments and data in this report refer to a version of the URAR developed and tested in 2020.

26

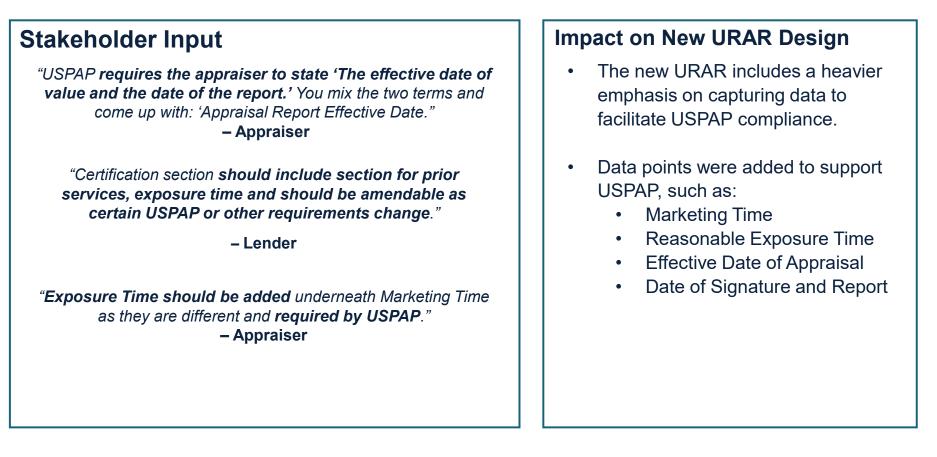


### **USPAP** Compliance





Stakeholders made suggestions to update various verbiage and information in the URAR tested in VBB to become more compliant with USPAP. New data points were added, and some legacy wording was updated.



27





### **Review Process**

The inclusion of more discrete, machine-readable data will allow stakeholders to implement more streamlined review processes.

### **Key Benefits**

- ✓ Information in the new URAR can be more easily flagged for risk.
- ✓ Information is better organized, more granular, and clearer to understand, potentially reducing correction requests.
- ✓ The report is specific to each property's characteristics without being locked into a single form number/property type (e.g., site condos).

| General Description            | Foundation                         | Exterior Description materials/condition | Interior materials/condition |
|--------------------------------|------------------------------------|--|------------------------------|
| Units One One with Accessory U | it 🔲 Concrete Slab 🔲 Crawl Space   | Foundation Walls                         | Floors                       |
| # of Stories                   | Full Basement     Partial Basement | Exterior Walls                           | Walls                        |
| Type Det. Att. S-Det./End Ut   | it Basement Area sq. ft.           | Roof Surface                             | Trim/Finish                  |
| Existing Proposed Under Cons   | t. Basement Finish %               | Gutters & Downspouts                     | Bath Floor                   |
| Design (Style)                 | Outside Entry/Exit Sump Pump       | Window Type                              | Bath Wainscot                |
| Year Built                     | Evidence of Infestation            | Storm Sash/Insulated                     | Car Storage 🔲 None           |
| Effective Age (Yrs)            | Dampness D Settlement              | Screens                                  | Driveway # of Cars           |
| Attic None                     | Heating FWA HWBB Radiant           | Amenities Woodstove(s) #                 | Driveway Surface             |
| Drop Stair Stairs              | Other Fuel                         | Fireplace(s) # Fence                     | Garage # of Cars             |
| Floor Scuttle                  | Cooling Central Air Conditioning   | Patio/Deck Porch                         | Carport # of Cars            |
| Finished Heated                | Individual Other                   | Pool Other                               | Att. Det. Built-in           |

Legacy Form

### New URAR

| Feature                 | Detail                     | Quality Comment        | Condition Status              | Condition Comment  |
|-------------------------|----------------------------|------------------------|-------------------------------|--|
| Exterior Walls and Trim | Vinyl                      | Add comment if needed. | Typical Wear and Tear         | Minor cracks to vinyl typical for age.   |
| Foundation              | Poured Concrete   Basement | Add comment if needed. | Typical Wear and Tear         | Add comment if needed.   |
| Roof                    | Composition   11-20 Years  | Add comment if needed. | Damaged and<br>Non-functional | Damaged roof with missing<br>flashing leaving the roof<br>permeable to water intrusion |
| Windows                 |                            | Thermal Double Hung    | Typical Wear and Tear         | Add comment if needed.   |

All comments and data in this report refer to a version of the URAR developed and tested in 2020.

28







### **Unit Updates**

The legacy form does not provide the space needed to explore and detail many aspects of a property that can be important when evaluating its value. The new URAR provides dedicated areas for specific details on bathrooms and kitchens.

| Legacy Form  |   | UR             | AR <sup>-</sup>           | <b>Feste</b>                         | d in VB         | в   |  | Ne  | w U  | RAF  | र   |  |
|--|---|----------------|---------------------------|--------------------------------------|-----------------|---|--|---|--|--|---|--|
| General Description         Foundation         Exterior Description         materials/condition         Interior         materials/condition           Units         Ore         Ore with Accessory (Mr.         Connote State)         Ceall Space         Foundation Wata         Foors  | Single_Family_                                | Family_Scenar  | rio-1_v28                 |                                      |                 |   | Confidential<br>Uniform Residen                      | ntial Appraisal Repo                                  | ort  |  |   | Page 9 of 25                                       |
| Ext Store         P kill Basemert         Extract Valis         Valis           Top:         Dot:         Active Store         Trinfinish           Detting:         Popose         Unit Active Store         Stores           Detting:         Popose         Unit Active Store         Bah Thore           Desting:         Popose         Unit Active Store         Bah Thore | Unit (continued)                              | tinued)        |                           |                                      |                 | Page 11 of 29   | Dwelling Interior<br>Quality and Con                 | dition  | •  |  | Rating C4   |  |
| Year Built Evidence ofInfestation Storm Sash'Insulated Car StorageNone<br>Effective Ace (Yrs)Damoness □ Settement ScreensDrywway # of Cars   | Kitchen                                       | - Level 1 🙉    |                           |                                      |                 |   | Interior Quality R                                   |   | interior Quality and Interior Cor  | Interior Condition   | Rating C4   |  |
| Attic None Heating PNA HWEB Radiant Amenities Woodstove(s) # Driveway Surface  | Full Bathroom - Feature                       | M              | aterial                   | Detail                               |                 |   | Kitchen and Bath                                     |   | nienor Quarry una interior Cor   | autor nating)  |   |  |
| Drop Stair Stairs Other Fuel Fireplace(s) # Fence Garage # of Cars   | Feature Appliances Cabinetry                  | 3              |                           | Cooktop<br>Dishwasher                |                 |   | Room   | Update Status   | Time Frame   | Quality Comment  | Condition Status  | Condition Comment                                  |
| Floor  | Countertop<br>Flooring                        |                |                           | Disposal<br>Double Oven<br>Microwave |                 |   | Kitchen 🔯  | Not Updated   |  | Corian countertops,<br>double oven, hardwood<br>floors<br>Double sink with   | Typical Wear and Tear<br>Typical Wear and Tear  | Add comment if                                     |
| shed ansa above grade contains: Rooms Bedrooms Bath(s) Square Feet of Gross Living Area Above Grade<br>Biconal features (special energy efficient items, etc.)   | Lighting Fixtures Plumbing Fixtures Cabinetry |                | ood                       | Refrigerator<br>Vent Hood            | - Sector        |   | Full Bathroom (B)                                    | Not Updated   |  | separate shower and<br>extra-large tub, ceramic<br>flooring<br>Ceramic flooring  | Typical Wear and Tear   | Add comment if                                     |
| ribe the condition of the property (including needed repairs, deterioration, removations, remodeling, etc.).   | Walls and Ceiling Flooring                    |                | orian                     |                                      |                 |   | Full Bathroom (R)                                    | Not Updated   |  | Ceramic flooring   | Typical Wear and Tear   | needed.<br>Add comment if                          |
|  | Walls and Ceiling Flooring<br>Lighting Fit    |                | ood                       | Recessed Lighting                    |                 | A CONTRACTOR OF   | Half Bathroom (R)                                    | Fully Updated   |  | Ceramic flooring   | Typical Wear and Tear   | needed.<br>Basement half bath                      |
|  | Plumbing F                                    |                | nthetic                   | Double Sink                          | 120 12          |   | The developming                                      | . any optimies  |  | country money  | -yphan mean and litid   | newer than rest of<br>house                        |
|  | Walls and C                                   | Leiling Dr.    | rynwall                   | 9 Feet                               |                 | Sector March  | Interior Features                                    |   |  |  |   |  |
|  |   |                |                           |                                      |                 |   | Feature  | Detail  | Quality Com  | ment Condit  | tion Status Co  | ndition Comment                                    |
|  | Full Bathroom -                               | throom – Level | B1                        |                                      |                 |   | Flooring   | Carpet  | Add comment  |  | ed and Functional Or  | ginal carpet, stained in<br>e corner in the Dining |
|  | Feature                                       |                |                           | Detail                               |                 |   |  | Ceramic   | All baths  | Tunical  | Ro  | om.<br>d comment if needed                         |
|  | Cabinetry Cabinetry Flooring                  |                | ood<br>eramic             |                                      |                 |   |  | Engineered Wo   |  | sement Typical V   | Wear and Tear Ad  | d comment if needed.                               |
|  | Countertop Lighting Fit                       |                |                           | Wall Sconce                          |                 |   | Walls and Ceilings                                   | Hardwood<br>8 Ft.   9 Ft.   10+                       | Ft.   2 or Cathedral mast  |  |   | d comment if needed.<br>d comment if needed.       |
|  | Flooring Plumbing F                           |                |                           | Single Sink                          |                 |   |  | more stories   C<br>  Coffered   Flat                 | Cathedral 2 story family re<br>ceiling in media                                      | oom, coffered<br>a room. 9 foot  |   |  |
|  | Lighting Fixtures Walls and C                 | Jeiling Dry    | rywall                    | 8 Feet                               |                 |   |  |   | ceiling 1st level  |  |   |  |
|  |   |                |                           |                                      |                 |   |  | tures for Individual                                  | Is with Disabilities   |  |   |  |
|  | Walls and Ceiling                             |                |                           |                                      | -               |   | Feature  | Comment<br>Shower is handica                          | apped accessible.  |  |   |  |
|  |   |                |                           |                                      |                 |   |  |   |  |  |   |  |
|  |   |                |                           |                                      | 111100-1-       |   | Apparent Defec                                       | ts, Damages, Deficie                                  | encies (Dwelling Interior  |  | Affects Soundness or  | Recommended  |
|  |   |                |                           |                                      | A KAL           |   | Feature<br>Rooring (R)                               | Location<br>Dining Room                               | Description<br>Carpet is stained in one  |  | Structural Integrity  | Action   |
|  |   | hroom – Level  |                           |                                      |                 |   | Hooring tea  | Dhingkoom   | Room.  | comer of the bining  | NO  | None   |
|  | Remaining Inte Feature                        |                |                           | Detail                               |                 |   | Dwelling Interio                                     | Commentary  |  |  |   |  |
|  | Feature Flooring                              |                | aramic                    | Detail                               | A Bent          | The second  | Basement has a cu                                    | tom finished wet bar in                               | ncluding wood cabinets and o   | countertops. Media roo   | om has custom cabinetr  | r for speakers and media                           |
|  | Appliances Lighting Fit                       |                |                           | Vanity Lighting                      | A CONTRACTOR OF | 1 8   | devices.   |   |  |  |   |  |
|  | Cabinetry Plumbing F                          | Fixtures Cer   | aramic<br>hamel/Porcelain | Shower<br>Single Sink                |                 |   | Dwelling Interio                                     | r Exhibits  |  |  |   |  |
|  | Countertop                                    |                |                           | Toilet                               |                 |   | Level and Room D                                     |   |  | Level and Room Det<br>Level B1 - Media Room  | tail  |  |
|  | Flooring Walls and C                          | Leiling Dry    | nywall                    | 9 Feet                               |                 |   | Level bi - Hall batt                                 |   |  | Level BT - Media Root  | m   |  |
|  | Lighting Fixtures                             |                |                           |                                      |                 |   |  |   |  | The other Designation of the local division of the local divisiono | None of Contraction   |  |
|  | Plumbing Fixtures                             |                |                           |                                      |                 | Pro la como   |  |   |  |  | 100 1   | a 🔊 🐻  |
|  | Walls and Ceiling                             |                |                           |                                      |                 |   |  |   |  |  |   |  |
|  |   |                |                           |                                      | 1000            |   |  |   |  |  |   | an ideal and                                       |
|  |   |                |                           |                                      |                 | to 1 - 1 - 1 - 1  | -  |   |  |  |   |  |
|  |   |                |                           |                                      |                 |   |  | and a   | A REAL PROPERTY  | T  |   |  |
|  |   |                |                           |                                      |                 |   |  |   |  |  | and the second second   | and a state  |
|  |   |                |                           |                                      |                 |   |  |   | Selfs International Sol  |  | and the second se | A DESCRIPTION OF                                   |
|  |   |                |                           |                                      |                 |   |  |   |  |  |   |  |
|  |   |                |                           |                                      | A               | Appraiser Reference ID AA12345<br>Client Reference ID 1234567 |  |   |  |  |   |  |
|  |   |                |                           |                                      |                 |   | Appraisal Version 3                                  |   |  |  | Annrali   | er Reference ID AA123-                             |
|  |   |                |                           |                                      |                 |   |  |   |  |  | Clie  | nt Reference ID 123456                             |
|  |   |                |                           |                                      |                 |   | This document relates to                             | Freddie Mac. Trademarks<br>the Uniform Mortgage Dat   | ita Program® on effort undertake   | n jointly by Freddie Mac an  | d Fannie Mae at the directic  |  |
|  |   |                |                           |                                      |                 |   | This document relates to<br>of the Federal Housing I | the Uniform Mortgage Dat<br>Inance Agency: Fannie Mae | ita Program <sup>a</sup> , an effort undertaker<br>e and Freddie Mac Confidential Co | n jointly by Freddie Mac an<br>mmercial Information; FOI   | d Fannie Mae at the directic<br>IA Exemption Requested.   | ,  |

All comments and data in this report refer to a version of the URAR developed and tested in 2020.

29





### **Unit Updates**

Stakeholders called attention to other aspects of a property that may need additional detail. Based on this feedback, new information was added to the new URAR.

### **Stakeholder Input**

"Add flooring to the kitchen and bathroom details section, since this is typically different from the rest of the house. In the Interior Features section, the flooring would then be for the remainder of the home."

Lender

"Comment section for Unit Mechanical System Details, in order to **address if something uncommon to the area** is adequate to heat the home and/or impairment to marketability." – Lender

"Mechanical System Details also need[s] to have a column for whether the HVAC is at each unit of the project or a centralized/shared system."

Lender

### Impact on New URAR Design

- The new URAR will allow all flooring materials and condition for each Unit.
- The new URAR made significant improvements upon the legacy form by including granular data to detail important aspects of a property.
- The new URAR will have project amenities and utilities included in the association fee.







### **Accessory Dwelling Units**

The legacy form did not have as much space for details on accessory dwelling units on properties and this left out necessary context on the properties being described. The new URAR provides more room for these units to be detailed.

### **Key Benefits**

31

✓ Additional details on accessory dwelling units provide more context to the property being described.

| General Description                           | Foundation                                       | Exterior Description materials/condition        | Interior materials/condition |
|---|--|---|------------------------------|
| Units 🔲 One 🔲 One with Accessory Unit         | Concrete Slab Crawl Space                        | Foundation Walls                                | Floors                       |
| # of Stories                                  | Full Basement Partial Basement                   | Exterior Walls                                  | Walls                        |
| Type Det. Att. S-Det/End Unit                 | Basement Area sq. ft.                            | Roof Surface                                    | Trim/Finish                  |
| Existing Proposed Under Const.                | Basement Finish %                                | Gutters & Downspouts                            | Bath Floor                   |
| Design (Style)                                | Outside Entry/Exit Sump Pump                     | Window Type                                     | Bath Wainscot                |
| Year Built                                    | Evidence of Infestation                          | Storm Sash/Insulated                            | Car Storage None             |
| Effective Age (Yrs)                           | Dampness Settlement                              | Screens   | Driveway # of Cars           |
| Attic None                                    | Heating FWA HWBB Radiant                         | Amenities Woodstove(s) #                        | Driveway Surface             |
| Drop Stair Stairs                             | Other Fuel                                       | Fireplace(s) # Fence                            | Garage # of Cars             |
| Floor Scuttle                                 | Cooling Central Air Conditioning                 | Patio/Deck Porch                                | Carport # of Cars            |
| Finished Heated                               | Individual Other                                 | Pool Other                                      | Att. Det. Built-in           |
| Appliances Refrigerator Range/Over            | n Dishwasher Disposal Microwav                   | e Washer/Dryer Other (describe)                 |                              |
| Finished area above grade contains:           | Rooms Bedrooms                                   | Bath(s) Square Feet of G                        | ross Living Area Above Grade |
| Additional features (special energy efficient | items, etc.)                                     |   |                              |
|   |  |   |                              |
| Describe the condition of the property (inclu | iding needed repairs, deterioration, renovati    | ons, remodeling, etc.).                         |                              |
|   |  |   |                              |
|   |  |   |                              |
|   |  |   |                              |
|   |  |   |                              |
| Are there any physical deficiencies or adve   | rse conditions that affect the livability, sound | Iness, or structural integrity of the property? | Yes No If Yes, describe      |
|   |  |   |                              |
|   |  |   |                              |
|   |  |   |                              |
| Does the property generally conform to the    | neighborhood (functional utility, style, condi   | tion, use, construction, etc.)? Yes No          | If No, describe              |
|   |  |   |                              |
|   |  |   |                              |

### **Legacy Form**

### New URAR

| Area Breakdown            |                    |          | Levels in Unit               | 1   |
|---------------------------|--------------------|----------|------------------------------|---|
| Finished Above Grade (GL/ |                    |          | Occupancy                    | Owner   |
| Unfinished Above Grade    | 0 Sq. Ft.          |          | Utilities Separately Metered | No  |
| Finished Below Grade      | 0 Sq. Ft.          |          | Total Bedrooms               | 0   |
| Unfinished Below Grade    | 0 Sq. Ft.          |          | Total Bathrooms - Full       | 1   |
| GLA Data Source           | Assessor Record    | d        | Total Bathrooms - Half       | 0   |
|                           | MLS                |          |                              |   |
|                           | Physical Measu     | rement   | _                            |   |
| Unit is an ADU            | Yes                |          |                              |   |
| Legally Rentable          | Yes                |          |                              |   |
| Data Source               | Assessor Record    | d        |                              |   |
| Typical for Market        | Yes                |          |                              |   |
| Ingress/Egress            | Exterior Access    | Only     |                              |   |
| Separate Postal Address   | No                 |          |                              |   |
| Level and Room Detail     |                    |          | -                            |   |
| Level                     | Grade Level Detail | Finish   | Area                         | Room Summary  |
|                           | Above Grade        | Finished | 464 Sq. Ft.                  | 1 - Bath - Full 🚳<br>1 - Kitchen 🚳<br>1 - Living Room 🚳 |

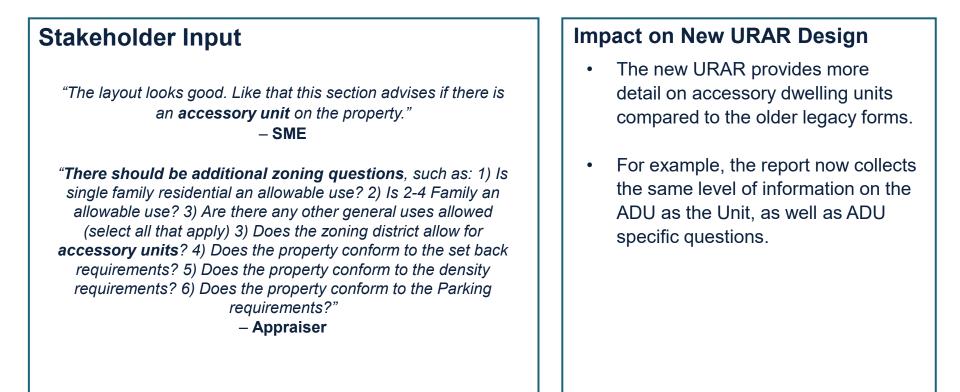






### **Accessory Dwelling Units**

Stakeholders in the VBBs provided additional feedback on the accessory dwelling unit sections, with most saying they liked this additional information and wanted even more included. This reaffirmed the decision to include this detail in the new URAR.



32







# **Next Steps and Resources**

This communication relates to the Uniform Mortgage Data Program®, an effort undertaken jointly by Fannie Mae and Freddie Mac at the direction of the Federal Housing Finance Agency.





# **Next Steps**

- The details of the new URAR are currently being finalized by the GSEs. The report is under review and undergoing pressure tests to ensure accuracy and usability.
- We heard loud and clear that **appraiser education is key.** Additional training and educational resources beyond this report will be rolled out along with the new URAR.
- We greatly appreciate the input received from 107 stakeholders during the redesign journey. If you would like to participate in future collaborative research efforts conducted by the GSEs, or if you have additional questions or suggestions related to the new URAR, please share them with us at <u>UAD@FreddieMac.com</u> and <u>UAD\_Info@FannieMae.com</u>.







# Resources

### Fannie Mae links

### Overview

- UMDP Fact Sheet
- UAD Overview
- UAD Redesign Overview
- UAD Redesign Timeline

### FAQs

- UAD Redesign FAQs
- <u>UAD Common Questions and Answers</u>

### More Information

- UAD Contact Form
- Legacy Form
- UAD Homepage

### Freddie Mac links

### Overview

- UAD Overview
- Fact Sheet
- UAD Redesign Snapshot
- UAD Redesign Timeline

### FAQs

- UAD Redesign FAQs
- UAD Common Questions and Answers

### More Information

UAD Homepage