



# U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-  
FEDERAL HOUSING COMMISSIONER

**AUGUST 22, 2011**

## MORTGAGEE LETTER 2011-30

**To**

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**ALL APPROVED MORTGAGEES  
ALL FHA ROSTER APPRAISERS**

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**Subject**

The Uniform Appraisal Dataset (UAD) and appraisal reporting forms

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**Purpose of this  
Mortgagee  
Letter**

The Federal Housing Administration (FHA) will adopt the Uniform Appraisal Dataset (UAD) and two of the UAD compliant appraisal reporting forms, which further define specific data fields in these industry standard appraisal reporting forms.

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**Effective Date**

To allow Mortgagees sufficient time to make any necessary data system changes, the requirements of this Mortgagee Letter are mandatory for all case numbers assigned on or after **January 1, 2012** and for all appraisals performed on HUD real estate owned (REO) and Pre-Foreclosure Sale (PFS) properties with an effective date on or after **January 1, 2012**.

Prior to the effective date, Mortgagees, at their discretion, may accept and submit for loan endorsement an appraisal in either a UAD compliant format or a non-UAD compliant reporting format.

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**Background**

The UAD is the result of collaboration between the Government Sponsored Enterprises (GSEs), Fannie Mae and Freddie Mac, at the direction of the Federal Housing Finance Agency (FHFA) to standardize data reporting quality and improve the collection of electronic appraisal data.

The UAD is part of the Uniform Mortgage Data Program (UMDP), which includes the:

- Uniform Collateral Data Portal (UCDP) and,
- Uniform Loan Delivery Dataset (ULDD)

The UCDP is a web application that will enable lenders to submit appraisal report forms electronically. The ULDD is a standardization of loan delivery data that will leverage the use of MISMO (Mortgage Industry Standards Maintenance Organization) in delivering loan data electronically. FHA is not adopting or requiring the use of the UCDP or the ULDD at this time.

In an effort to enhance appraisal data quality and consistency and to promote the collection of electronic appraisal data, the GSEs have developed the UAD to standardize the input values for certain data elements. For example:

- Specific date
- Dollar amounts
- Property condition
- Quality of construction

Fannie Mae and Freddie Mac have modified the Uniform Residential Appraisal Report and the Individual Condominium Unit Appraisal Report forms, which are forms currently required by FHA, to include UAD requirements. Appraisal software vendors have also incorporated the UAD requirements into their form software that is currently available on an industry wide basis. Information that was never explicitly required in the GSE's appraisal reporting forms before includes:

- Days on market for the subject property and each comparable sale
- Updating or repairs to kitchen and bathrooms in the subject property
- Sale type for the subject property and each comparable sale

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**New FHA appraisal reporting requirements**

The following table identifies which appraisal reporting forms have been modified by the UAD and which modified forms will be required and/or accepted by FHA.

	UAD Modified Appraisal Form	Fannie Mae/ Freddie Mac Form #	FHA Required
1	Uniform Residential Appraisal Report	Fannie Mae 1004 Freddie Mac 70	Yes
2	Individual Condominium Unit Appraisal Report	Fannie Mae 1073 Freddie Mac 465	Yes
3	Exterior-Only Inspection Residential Appraisal Report	Fannie Mae 2055 Freddie Mac 2055	Not accepted
4	Exterior-Only Inspection Individual Condominium Unit Appraisal Report	Fannie Mae 1075 Freddie Mac 466	Not accepted

**UAD Field Specific Requirements and FHA Compliance**

FHA Roster appraisers must become familiar with the modified appraisal forms, including the UAD field specific requirements detailed in Appendix D of the Uniform Mortgage Data Program and which is posted on the web sites of [Fannie Mae](#) and [Freddie Mac](#). Except for the cases listed below, FHA Roster appraisers must comply with the instructions and requirements as provided by the GSEs in Appendix D.

The following table identifies FHA specific compliance requirements:

UAD Field Specific Requirement	Appraisal Form Section	FHA Requirement
Select relevant subject condition rating	Improvements	“Subject to” select the as-repaired condition
Input room count and finished/unfinished basement areas	Sales Comparison Grid Basement & Finished Rooms Below Grade	Enter only verifiable data and cite source in the addendum
Appraisal made “as-is,” “subject to”...	Reconciliation Section	“As-is” only for HUD REO or PFS properties
Enter Appraiser Trainee and Supervisory Appraiser Information	Appraiser Certification Section (Pg. 6)	Supervisory appraisers and trainees are not permitted

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**FHA Appraisal Reporting Requirements Remain in Effect**

FHA Roster appraisers are reminded that all FHA appraisal reporting requirements remain in effect and are cautioned to continue to perform the research necessary and exercise the due diligence to produce a credible and accurate appraisal. The UAD field specific requirements are not a substitute for, and **do not** exempt FHA Roster appraisers from the requirement to provide adequate explanations in the addendum of the reporting form regarding methodology, anomalies, property deficiencies and other conditions that may have an impact upon the value of a property and its marketability.

In all cases, a property's compliance with Minimum Property Standards (new construction) and Minimum Property Requirements (existing construction) must be thoroughly addressed by the appraiser. FHA Roster appraisers are reminded that the Statement of Insurability is also required for all appraisals performed on HUD REO properties.

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**Information Collection Requirements**

Paperwork reduction information collection requirements contained in this document are pending determination by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number 2502-0538. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB Control Number.

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**Questions**

If you have questions concerning this Mortgagee Letter, please call the FHA Resource Center at 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may access this number via TTY by calling the Federal Information Relay Service at (800) 877-8339.

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**Signature**

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Carol J. Galante  
Acting Assistant Secretary for Housing-Federal Housing Commissioner

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