



## Features

- Three appraisal fields available for each case number for uploading appraisal forms.
- Uploaded data auto-populated in FHA Connection Appraisal Logging screen.

## Benefits

- Helps ensure compliance with FHA policy before endorsement.
- Provides an electronic trail of appraisal changes/updates.
- Saves time by reducing redundant data entry and submissions.

## Resources

Find these and other resources on FHA's EAD web page at

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/lender/origination/e\\_ad](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/lender/origination/e_ad)

- *Onboarding to the EAD* Fact Sheet
- *EAD Hard Stop Checks and Error Messages* Fact Sheet
- *EAD Data Formats and Forms* Fact Sheet
- Pre-recorded, Self-paced EAD Lender User and Lender Administrator Training



## Electronic Appraisal Delivery Portal: Appraisal Loading

Using the Federal Housing Administration's (FHA) web-based Electronic Appraisal Delivery (EAD) portal, mortgagees and their designated third-party service providers load appraisal data and reports into the portal for submission to FHA prior to loan endorsement. EAD portal functionality allows mortgagees to load three appraisals for the same property address and FHA case number when appropriate. These appraisals must be loaded to comply with FHA policy.

### The EAD Portal Appraisal Screen and Appraisal Loading Sequence

The EAD portal's Appraisal screen has Document Type fields for loading appraisal reports into the portal for submission to FHA.

The screenshot shows the 'Electronic Appraisal Delivery Portal' interface. It features a table with columns for 'Document Type', 'Appraisal 1', 'Appraisal 2', and 'Appraisal 3'. Each row has a 'Document Type' dropdown menu and an 'Add Document' button. Below the table, there are three buttons: 'Appraisal 1-2-3', 'Add Document Button', and 'Add Loan & Submit Buttons'. Red boxes highlight the 'Add Document' buttons and the 'Appraisal 1-2-3' button.

Most of the time, the appraisal report will be loaded to the Document Type Appraisal 1 (Appraisal 1) field, and will be the only appraisal needed. If there is a second appraisal report and/or an update to the appraisal report needed, the Document Type Appraisal 2 (Appraisal 2) field will be utilized. In rare cases, if Appraisal 1 requires an update (1004D), then Appraisal 2 should be used. When a second appraisal report requires an update, the Document Type Appraisal 3 (Appraisal 3) field will be used. Users must load appraisal reports and information in the appropriate fields, as described below.

- **Appraisal 1 Field:** Must be a full appraisal report form, and is most often **the original** appraisal submitted for the FHA case number. In most cases, it is the only appraisal report loaded.
- **Appraisal 2 Field:** May be a second appraisal for the property, or an Update of Appraisal 1 using Form 1004D, *Appraisal Update and/or Completion Report*.
- **Appraisal 3 Field:** May be an update of Appraisal 2 using Form 1004D in instances where Appraisal 1 is replaced by Appraisal 2 for one of the reasons allowed by FHA policy, **and** Appraisal 2 is about to expire.



**Appraisal Loading Key Details**

For most users, the most common scenario will be to use only the Appraisal 1 field:

- Each time a user loads a new or corrected appraisal report in the Appraisal 1 field, the EAD portal automatically assigns a version number to the appraisal report.
- Submissions to the Appraisal 1 field cannot be deleted. If an error occurs during the loading process, or if the appraisal report requires a correction, users should upload a corrected appraisal report in the Appraisal 1 field so that it replaces the previous version in the Appraisal 1 field.
- In the event that a corrected or updated version of the appraisal report in the Appraisal 1 field is required, EAD portal users can go to the "View/Edit" screen in the portal, and then click on the "Edit" button next to the Appraisal 1 field to load the updated appraisal file.
- The Appraisal 2 field must be used **only** if FHA policy requires a second appraisal report or Form 1004D for Appraisal 1.
- The Appraisal 3 field will be used **only** if FHA policy allows two full appraisals **and** a Form 1004D is required for either the Appraisal 1 or the Appraisal 2 field submission.

**The FHA Connection Appraisal Logging Screen (Successful Appraisals)**

Each time a successful new or revised appraisal file is loaded into the EAD portal, the information is populated in the FHA Connection (FHAC) Appraisal Logging screen:

- Successful appraisal data loaded in the Appraisal 1 and Appraisal 2 fields are automatically populated in FHA's FHAC Appraisal Logging screen.
- Data loaded in the Appraisal 3 field is only transmitted to FHAC's Appraisal Logging screen if it is an update or Notice of Completion to an appraisal file (Form 1004D) in Appraisal field 1 or 2, **and** the Appraisal 2 field contains an appraisal.

FHA policy requires that the appraisal be successfully transmitted to FHA, and the FHAC Appraisal Logging screen data to be verified by the mortgagee before the insurance application can be processed. Each time a new or revised appraisal file, or its updates or corrected versions, are loaded in the EAD portal, mortgagees must also access the FHAC Appraisal Logging screen to confirm the data by pressing the "Send" button at the bottom of the screen. Once the Appraisal Logging screen is submitted, mortgagees will be able to proceed through to the FHAC Insurance Application screen.

**EAD Portal Appraisal Loading Sequencing Scenarios**

**Typical Flow for Most FHA Cases**

Appraisal Action/Status	Load into EAD as Document Type	Appraisal Logging Screen in FHA Connection (FHAC)
Valid Appraisal	Appraisal 1 Field	Appraisal 1 Loads FHAC Logging Screen.
Appraisal is corrected or augmented by appraiser during underwriting or review process. Appraisal is reloaded into the EAD portal.	Appraisal 1 Field	Appraisal 1, Version 2 Loads FHAC Logging Screen.
Appraisal is again corrected or augmented by appraiser during underwriting or review process. Appraisal is reloaded into the EAD portal.	Appraisal 1 Field	Appraisal 1, Version 3 Loads FHAC Logging Screen.



**If Original Appraisal Will Expire Before Scheduled Closing**

Appraisal Action/Status	Load into EAD as Document Type	Appraisal Logging Screen in FHA Connection (FHAC)
Valid Appraisal	Appraisal 1 Field	Appraisal 1 Loads FHAC Logging Screen.
Update of Appraisal (Form 1004D)	Appraisal 2 Field	Appraisal 2 Loads Update Section of FHAC Logging Screen.

**If Original Appraisal (Appraisal 1) Needs to Be Replaced By Another Full Appraisal**

Appraisal Action/Status (requires lender to select one of these reasons before the data uploads)	Load into EAD as Document Type	Appraisal Logging Screen in FHA Connection (FHAC)
Original Appraisal Expired	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen.
Material Deficiencies	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen.
Exclusionary List Appraiser	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen.
Delay in Closing	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen.
Loss of Interest Rate Lock	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen.
Purchase Contract Deadline	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen.

**If Appraisal 2 Will Expire Before Scheduled Closing**

Appraisal Action/Status	Load into EAD as Document Type	Appraisal Logging Screen in FHA Connection (FHAC)
Valid Appraisal is now Appraisal 2	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen.
Update of Appraisal (Form 1004D)	Appraisal 3 Field	Appraisal 3 Loads Update Section of FHAC Logging Screen.

**If Loan Is a 203(k) Rehabilitation Mortgage Insurance Program Mortgage**

Appraisal Action/Status	Load into EAD as Document Type	Appraisal Logging Screen in FHA Connection (FHAC)
Valid Appraisal: "As If Completed" based on the plans and contracts to remodel or add to an existing dwelling.	Appraisal 1 Field Note: The "As If Completed" appraisal MUST be loaded to the Appraisal 1 Field	Appraisal 1 Loads FHAC Logging Screen.
IF NEEDED: Valid Appraisal – "As Is" based on property in its present condition. An "As Is" is obtained and loaded ONLY when required by policy.	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen.
Both appraisals are used by the system as needed.		



**If Subject Property Prior Sale Triggers Flipping Rule**

Appraisal Action/Status	Load into EAD as Document Type	Appraisal Logging Screen in FHA Connection (FHAC)
Valid Appraisal	Appraisal 1 Field	Appraisal 1 Loads FHAC Logging Screen.
Second Valid Appraisal	Appraisal 2 Field	Appraisal 2 Loads FHAC Logging Screen and is logged as second appraisal.
Both appraisals are used by the system as needed.		

**If Original Appraisal Required a Re-inspection or Final Inspection**

Appraisal Action/Status	Load into EAD as Document Type	Appraisal Logging Screen in FHA Connection (FHAC)
Valid Appraisal	Appraisal 1 Field	Appraisal 1 Loads FHAC Logging Screen.
Certification of Completion, Form 1004D (Lower Section)	Appraisal 2 Field	Data will not load but lender still needs to open Logging Screen and click the "Send" button.

