



FANNIE MAE PROVIDES VALUATION METHOD UPDATES

AUG 2023 — **Following the updates announced in March regarding valuation modernization, Fannie Mae disclosed its Value Acceptance plus Property Data Collection (VA + PD) program under a new enumeration called “Appraisal Waiver plus Property Data Collection – Condition” (“C”).** This is being introduced within the Property Valuation Method attribute, which began June 20 in Fannie’s single-family mortgage-backed securities (MBS) disclosures, Fannie Mae announced.

Loans that meet the definition of enumeration “C” are currently being disclosed as “Other” (“O”) but will be changed to enumeration “C” at that time.

Beginning with September issuances, the current enumeration “Onsite Property Data Collection” (“P”) will be renamed to “Appraisal Waiver plus Property Data Collection – Value” (“P”). For existing securities, the monthly disclosure files will use the new enumeration name beginning Sept. 7. The Single-Family MBS Disclosures Guide will be updated in June and September with the new definitions for enumerations “C” and “P” respectively.

Fannie Mae included definitions for each attribute said.

Appraisal Waiver plus Property Data Collection – Condition: The appraisal is waived with the requirement that certain property data is collected onsite by a licensed or certified appraiser or trained data collector to ensure the condition of the property meets the GSE’s requirements but is not used to validate the value of the property.

Appraisal Waiver plus Property Data Collection – Value: (currently “Onsite Property Data Collection”): The appraisal is waived with the requirement that certain property data is collected onsite by a licensed or certified appraiser or trained data collector and used in a proprietary automated valuation model to validate the value of the property.

The addition of “Appraisal Waiver plus Property Data Collection – Condition: along with the updated description to “Appraisal Waiver plus Property Data Collection – Value” delineate between programs that leverage onsite property data collection to validate the value of the property (-Value) versus programs that leverage onsite property data collection to assess the condition of the property but are not used to validate the value of the property (-Condition).

Source: Valuation Review <https://tinyurl.com/yn2mt5e5>



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