



# Uniform Residential Appraisal Report

## Hybrid and Desktop Appraisal Forms

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# Goals for the addition of 1004 Hybrid/70H and 1004 Desktop/70D forms

- Provide forms to support appraisal modernization testing activities
- Provide form language alternatives that align with appraisers' obligations for hybrid and desktop appraisals
- Align the appropriate updated Appraiser Scope of Work, Limiting Conditions, and Certification language to the correct assignment type

# Assignment Definitions

- **Hybrid:** An appraisal assignment consisting of a desktop appraisal for which the scope of work includes reviewing a recent interior/exterior property data report.
- **Desktop Appraisal:** An appraisal assignment for which the scope of work does not include field work by the appraiser and does not include reviewing a recent interior/exterior property data report.
- **Traditional Appraisal:** An appraisal assignment for which the scope of work includes an interior and exterior personal, onsite inspection of the subject property completed by the appraiser who signs the appraisal report, and the effective date of the appraisal is the date of inspection.

# Multiple scopes / certifications

Certifications aligned to the specific appraisal assignment type

	Data collection method	Certification
<b>Traditional</b> Fannie Mae 1004 Freddie Mac 70	<b>Physical inspection</b> of the interior and exterior of subject property by the appraiser	<b>Appraiser</b> performed a complete visual inspection of the interior and exterior areas of the subject property
<b>New Hybrid</b> Fannie Mae 1004 Hybrid Freddie Mac 70H	<b>Physical inspection</b> of the interior and exterior of subject property by a third party or an appraiser  <b>Virtual inspection</b> of the interior and exterior of subject property by a third party or an appraiser using tools such as Skype, FaceTime, or others to allow remote viewing	<b>Appraiser</b> may not have performed a personal inspection of the subject property; relying on subject property information from property data report
<b>New Desktop</b> Fannie Mae 1004 Desktop Freddie Mac 70D	<b>No physical inspection</b> appraiser uses prior URAR or hybrid, MLS, public record data, or other sources	<b>Appraiser</b> did not perform a personal visual inspection of the subject property at the time of the desktop report

# Multiple scopes / certifications

Certifications aligned to the specific appraisal assignment type

	Data collection method	Certification
<b>(to be retired)</b> <b>Test Form</b> Fannie Mae 1004P Freddie Mac 70H (July 2019)	<b>Physical inspection</b> of the interior and exterior of subject property by a third party or an appraiser	<b>Appraiser</b> may not have performed a personal visual inspection of the subject property
<b>Temporary*</b> <b>COVID-19 exterior-only</b>	<b>Physical inspection</b> of the exterior of subject property by the appraiser	<b>Appraiser</b> performed a personal visual inspection of the exterior of the subject property from the street (revised Certifications)
<b>Temporary*</b> <b>COVID-19 desktop</b>	<b>No physical inspection</b> appraiser uses MLS, public record data, other online sources	<b>Appraiser</b> did not perform a personal visual inspection of the subject property, but relied on third-party data sources (revised Certifications)

\*For COVID-19 flexibilities, see [Fannie Mae LL-2020-04](#) and [Freddie Mac Bulletin 2020-05](#)



# Examples of updates to the appraisal forms

# Hybrid Form (1004 Hybrid/70H)

Updated URAR Form Header Sample

Uniform Residential Appraisal Report <u>(Hybrid)</u>				File #
The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.				
Property Address		City	State	Zip Code
Borrower		Owner of Public Record	County	

Updated URAR Form Footer Sample

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

Freddie Mac Form 70H ~~March 2005~~ July 2020      Page 1 of 78      Fannie Mae Form 1004 ~~March 2005~~ July 2020

# Hybrid Form (1004 Hybrid/70H)

Updated URAR Opinion of Market Value Statement

Based on ~~a complete visual inspection of the interior and exterior areas of the subject property,~~ the defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ \_\_\_\_\_, as of \_\_\_\_\_, ~~which is the date of inspection and~~ the effective date of this appraisal.

Freddie Mac Form 70H ~~March 2005~~ July 2020

Page 2 of 6

Fannie Mae Form 1004 ~~Hybrid March 2005~~ July 2020

## Explanation of Change:

Unlike that of the Fannie Mae Form 1004/Freddie Mac Form 70, the effective date language of the 1004 Hybrid/70H form specifically excludes mention of an inspection date. The effective date of the 1004 Hybrid is required to be the same as the date when the appraiser developed the opinion of market value that is communicated in the report. This is neither a retrospective nor a prospective value.



# Hybrid Form (1004 Hybrid/70H)

Updated URAR Form Additional Comments Section Sample

## Uniform Residential Appraisal Report (Hybrid)

File #

<u>Appraisal Assignment Type:</u>	<u>Subject Property Data Collection Date:</u>
<u>Subject Property Data Collection Method:</u>	<u>Subject Property Data Collection Workforce:</u>

A  
D  
D  
I  
T  
I  
O  
N  
A  
L  
  
C  
O  
M  
M  
E  
N  
T  
S

# Hybrid Form (1004 Hybrid/70H)

Updated URAR Form SCOPE OF WORK Sample

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) obtain and review adequate and reliable information for the subject property including, but not limited to, property data based on interior and exterior property data collection, public and/or private data records, and information as described by the appraiser in the appraisal report perform a complete visual inspection of the interior and exterior areas of the subject property, (2) research, verify, and analyze adequate and reliable data from public and/or private sources for the subject market area including data for each comparable property reported inspect the neighborhood, and (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

# Hybrid Form (1004 Hybrid/70H)

Updated URAR Form STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS Sample

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has ~~provided~~ included a sketch floor plan in this appraisal report, which was completed as part of the property data report that ~~to~~ shows the approximate dimensions of the improvements. The sketch floor plan is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has ~~relied on data provided by third-parties in this appraisal report. Such data may include, but is not limited to, flood maps, multiple listing real estate services, tax assessment records, public land records, satellite imagery, virtual street views, property data services, surveys, engineering reports, and property data aggregations. After examination of the data and data sources, the appraiser has used only the data he or she considers reliable.~~ examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. The appraiser makes no guarantees, express or implied, regarding the accuracy of this data. ~~Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.~~

# Hybrid Form (1004 Hybrid/70H)

Updated URAR Form APPRAISER'S CERTIFICATION Sample

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I ~~did not~~ performed a ~~complete personal~~ visual inspection of the ~~interior and exterior areas 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 from the property data report. I ~~identified and~~ reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

# Desktop Form (1004 Desktop/70D)

Updated URAR Form Header Sample

<b>Uniform Residential Appraisal Report <u>(Desktop)</u></b>				File #
The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.				
Property Address		City	State	Zip Code
Borrower		Owner of Public Record	County	

Updated URAR Form Footer Sample

Freddie Mac Form <u>70D</u> <del>March 2005</del> <u>July 2020</u>	Page 1 of <u>78</u>	Fannie Mae Form 1004 <del>March 2005</del> <u>July 2020</u>

# Desktop Form (1004 Desktop/70D)

Updated URAR Opinion of Market Value Statement

T I O N	Based on <del>a complete visual inspection of the interior and exterior areas of the subject property, the</del> defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is
	\$ _____, as of _____, <del>which is the date of inspection and</del> the effective date of this appraisal.

Freddie Mac Form [70D](#) ~~March 2005~~ [July 2020](#)      Page 2 of ~~67~~      Fannie Mae Form 1004 [Desktop](#) ~~March 2005~~ [July 2020](#)

## Explanation of Change:

Unlike that of the Fannie Mae Form 1004/Freddie Mac Form 70, the effective date language of the 1004 Desktop/70D form specifically excludes mention of an inspection date. The effective date of the 1004 Desktop is required to be the same as the date when the appraiser developed the opinion of market value communicated in the report. This is neither a retrospective nor a prospective value.



# Desktop Form (1004 Desktop/70D)

Updated URAR Form SCOPE OF WORK Sample

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) obtain and review adequate and reliable information for the subject property including, but not limited to, public and/or private data records, and information as described by the appraiser in the appraisal report~~perform a complete visual inspection of the interior and exterior areas of the subject property,~~ (2) research, verify, and analyze adequate and reliable data from public and/or private sources for the subject market area including data for each comparable property reported, and inspect the neighborhood, (3) ~~inspect each of the comparable sales from at least the street,~~ (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.



# Desktop Form (1004 Desktop/70D)

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1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has included provided a floor plan sketch in this appraisal report ~~to that~~ shows the approximate dimensions of the improvements. The sketch floor plan is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has relied on data provided by third-parties in this appraisal report. Such data may include, but is not limited to, flood maps, multiple listing real estate services, tax assessment records, public land records, satellite imagery, virtual street views, property data services, surveys, engineering reports, and property data aggregations. After examination of the data and data sources, the appraiser has used only the data he or she considers reliable. examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. The appraiser assumes there are no material omissions and makes no guarantees, express or implied, regarding the accuracy of this data. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

# Desktop Form (1004 Desktop/70D)

Updated URAR Form APPRAISER'S CERTIFICATION Sample

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I did not performed a complete personal visual inspection of the ~~interior and exterior areas 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 from third party data sources. I ~~identified and~~ reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

In early 2022, Fannie Mae and Freddie Mac announced that certain purchase transactions will be eligible for delivery with appraisals reported on Form 1004 Desktop/70D.

In contrast, the 1004 Hybrid/70H is only being used on a limited basis for testing purposes.

The traditional 1004/70 form and usage remains unchanged.

**Please, as always, make sure to communicate with your client to ensure you are using the correct form for the assignment.**



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