

# Post-Closing QC Collateral Risk Assessment Analysis (Form 1033)

This document provides a suggested framework for performing a post-closing appraisal review. Use is optional, but Fannie Mae provides this worksheet to assist lenders in meeting our *Selling Guide* requirement for post-closing appraisal reviews ([D1-3-04, Lender Post-Closing Quality Control Review of Appraisers and Appraisals](#)).

Fannie Mae lenders must ensure that all property eligibility requirements in the *Selling Guide* are met; use of this worksheet alone does not indicate complete compliance with the *Selling Guide*. References to specific *Selling Guide* sections are provided below as appropriate.

## Property information

Property address

City, state, ZIP

Loan number

Doc File ID

Effective date for appraisal under review

CU risk score (1.0 – 5.0)

Property rights appraised

Fee simple

Leasehold

Other (describe):

Property type, if applicable

Condo

PUD

Cooperative

N/A

## STEP 1: REVIEW THE APPRAISAL REPORT

**NOTE:** If you answer no to any of the questions below, provide comments and describe resolved issues, as applicable.

Subject	Yes	No	N/A
<b>1. Property address is accurate (match to title)</b> The property address should match the title report (format should conform to United States Postal Service address standards, but the address must match the title report).			
<b>2. Legal description is accurate (match to title)</b> The legal description should match the title report to confirm the correct property was appraised.			
<b>3. Parcel ID is accurate (match to title or assessor records)</b> The parcel ID should match the title report to confirm the correct property was appraised.			
<b>4. Correct property appraisal form</b> The correct appraisal form used.			
<i>Comments for "no" responses/describe resolved issues</i>			

Contract	Yes	No	N/A
<b>5. Appraiser was provided a fully executed sales contract</b> Confirm the appraiser received the full contract with all counteroffers.			
<b>6. Contract price was correct</b> Confirm the correct sales price is listed on the appraisal and in loan delivery data.			
<b>7. Original contract date is prior to appraisal effective date</b> Counteroffers and addenda after the effective date are allowed but cannot be considered by the appraiser.			
<b>8. Concessions were appropriately considered, if applicable</b> Confirm the appraiser addressed all items in the contract that could potentially impact value; personal property, if part of the contract, must be excluded from the value.			
<i>Comments for "no" responses/describe resolved issues</i>			

**Neighborhood**

Yes No N/A

**9. The subject property conforms to the neighborhood**

Look at aerial views in Collateral Underwriter® (CU®) or other aerial imagery resources to confirm the subject property conforms to surrounding properties; if not, did the appraiser provide an explanation? For example, if there's a mix of residential and commercial properties, how does more of one impact the other?

**10. Market trends were identified correctly**

Reference other sources to confirm market trends were reported accurately (CU market trend information can help with this analysis).

*Comments for "no" responses/describe resolved issues*

**Site**

Yes No N/A

**11. Subject location influences are identified correctly**

Was the appropriate site location provided along with the impact(s) to value? Reference other sources to ensure the appropriate view was provided; overhead imagery may be helpful.

**12. If zoning was other than legal, marketability is addressed**

Confirm that nonconforming and illegal land use are specifically addressed, including discussion of any market impacts.

**13. If utilities are not public, marketability is addressed**

If utilities are private, confirm marketability is addressed with other sales and/or comments.

**14. Adverse site issues are identified and appropriately addressed**

Reference other sources including aerial imagery to determine whether there are external influences that may impact the value.

**15. Subject views are correctly identified**

Reference other sources to confirm views.

**16. The present land use of the subject is identified as the highest and best use**

If present land use is not identified as *highest and best use*, a loan secured by the property may not be eligible for delivery. *Use type* is a key issue with loan eligibility; for example, is the subject land better suited for commercial or residential use?

*Comments for "no" responses/describe resolved issues*

**Appraisal review**

Yes No N/A

**17. The most appropriate quality rating was provided**

Confirm the correct quality rating was assigned (*Selling Guide B4-1.3-06*). Understand definitions that could impact representation and warranty relief. Confirm that report exhibits support the ratings, and reconcile with CU messages, if applicable.

**18. The most appropriate condition rating was provided**

Confirm the correct condition rating was assigned (*Selling Guide B4-1.3-06*). Understand definitions that could impact representation and warranty relief. Confirm that report exhibits support the ratings, and reconcile to CU messages, if applicable.

**19. All apparent safety and soundness or structural integrity issues were noted**

Confirm the property is free of structural issues that could impact eligibility (*Selling Guide B4-1.3-06*).

*Comments for "no" responses/describe resolved issues*

**Sales comparison grid**

Yes No N/A

**20. Adjustments were reasonable and the appraiser provided support**

Check the reasonableness of the adjustments and that they are market-driven (refer to the CU adjustment analysis section).

**21. Adjustments were applied in a consistent manner across all comparables**

Adjustment methodology should be consistent and supported; any inconsistencies should be addressed by the appraiser (e.g., gross living area [GLA], bed, and bath).

**22. The comparable quality ratings are reasonable**

Look at the photos. Confirm quality ratings of comparables meet the rating definitions. Review messages and data alerts on the Comparables tab in CU for consistency to the market.

**23. The comparable condition ratings are reasonable**

Look at the photos. Confirm condition ratings of comparables meet the rating definitions. Review messages and data alerts on the Comparables tab of CU for consistency to the market.

**24. The comparable property characteristics are reported accurately**

Confirm the appraiser accurately described the comparables. Review messages and alerts on the Comparables tab in CU for assistance.

**25. The report includes three comparable closed sales**

The appraisal must have a minimum of three comparable closed sales.

**26. The comparable sales are suitable substitutes for the subject property**

Would the buyer of the comparables purchase the subject property based on the information reported and the photos provided? Did information provided in CU or other sources confirm the sales provided were appropriate?

**27. The adjusted and unadjusted prices support the final value**

Is the final value within the range of unadjusted and/or adjusted values? If unadjusted values do not support the final value, is the subject property unique to the area or is there an increasing market?

*Comments for "no" responses/describe resolved issues*

**Exhibits**

Yes No N/A

**28. A sketch or floor plan is included with dimensions and calculations**

A building sketch is required (*Selling Guide B4-1.2-01*).

**29. All required photos are in the appraisal report**

Did the appraiser provide the required amount of photos (*Selling Guide B4-1.2-01*)?

**30. All required maps are in the appraisal report**

Has the appraiser provided the required maps (*Selling Guide B4-1.2-01*)?

*Comments for "no" responses/describe resolved issues*

**Rental income, if applicable**

Yes No N/A

**31. Individual unit rentals are supported in the market**

If rental income was required, do the comparable rents support the appraiser's market rent? Is the gross rent multiplier consistent?

*Comments for "no" responses/describe resolved issues*

**Manufactured home, if applicable\***

Yes No N/A

**32. The unit was original, with no modifications noted**

Attaching to or removing walls will impact the dwelling market value.

**33. The HUD data plate and certification labels were attached and numbers provided**

Confirm the report includes all required information on the HUD labels and data plates, including photos.

*\* Manufactured homes cannot have alterations to the structure of the dwelling. Items that impact integrity are not allowed by Fannie Mae policy unless the structural modifications have undergone satisfactory inspections.*

*Comments for “no” responses/describe resolved issues*

**STEP 2: SUMMARIZE YOUR REVIEW**

Yes No N/A

**34. All CU messages were addressed by the lender**

Review messages in CU to make sure they are resolved, and explain how they were resolved.

**35. Based on your review of all the information, was the final property value supported and reasonable?**

Is the value supported and reasonable?

**36. All conditions of the appraisal were met, if applicable**

If there is a “subject to” provision in the appraisal report, were all items requiring repair or completion handled appropriately?

*Comments for “no” responses/describe resolved issues*

### STEP 3: CONDUCT ADDITIONAL CHECKS

Yes No N/A

**37. The appraisal report meets Fannie Mae appraisal requirements**

Consider other issues not covered by the checklist. For example, if the subject property has an accessory dwelling unit, did the appraisal report address it? If the subject property is located in a new subdivision, did the appraisal report follow appropriate comparable sale requirements (*Selling Guide* [B4-1.3-08](#))?

**38. An aerial image(s) view of the subject property showed no external influences not identified by the appraiser**

Confirm any external influences impacting value or marketability (e.g., busy road, gas station, commercial buildings, etc.) were addressed.

**39. An aerial image(s) view of the comparables showed no external influences not identified by the appraiser**

Confirm the comparables have similar external influences as the subject property. If not, have the differences or lack of similarities been addressed?

**40. There were no conflicts to the certification in an addendum**

Read appraisal report addendums to confirm there is no language that conflicts with the static certifications (*Selling Guide* [B4-1.1-06](#)).

**41. If the appraisal is for a 2- to 4-unit property, the comparables included at least two sales of similar unit count**

Ensure the like-for-like unit comparison is provided; if not, was it addressed?

**42. The subject property characteristics were reported accurately**

Did the appraisal address the subject property's GLA, site size, outbuildings, etc., correctly? The lender is responsible for accurate reporting of the subject property, even if the CU risk score is 2.5 or less.

**43. If applicable, any inaccuracies in reporting were minor, with no impacts to value or eligibility**

If minor issues were found in the report but have no impact on value, answer yes.

**44. If property is in a condo project, project eligibility requirements were met**

Confirm project eligibility is addressed (e.g., commercial space requirements, owner occupancy, litigation, for a co-op share price information, etc.).

**45. If the property is a cooperative, the co-op interest was developed correctly**

The final value for a co-op is developed using share price; confirm it was correctly developed (*Selling Guide* [B4-1.4-04](#)).

**46. The appraiser is not on Fannie Mae's AQM list**

An appraiser identified on the [Appraiser Quality Monitoring \(AQM\) list](#) could impact loan eligibility and/or trigger automatic post-delivery review by Fannie Mae.

*Comments for "no" responses/describe resolved issues*

Reviewer name

Signature

Lender

Date of review

Additional comments



## Recommended Tools for Post-Closing QC Collateral Risk Assessment Analysis

To meet Fannie Mae's post-closing appraisal review requirements (*Selling Guide D1-3-04, Lender Post-Closing Quality Control Review of Appraisers and Appraisals*), lenders may use Collateral Underwriter® (CU®) or equivalent functionality from third-party data and tools to perform an assessment that validates the accuracy of the appraisal report. The assessment must include the following (at a minimum):

### Validate overall appraisal data: subject property and comparable sales

Evaluate appraisal report data to determine appropriateness/accuracy of all data for the subject property and comparable sales using any of the following functionalities in CU or equivalent functionality from other third-party data and tools:

- Flags
- Messages
- Property Records section of the Comparables tab, for subject property and all comparable sales
- Ranking and model adjusted values of comparable sales on the Comparables tab
- Update Model Data and Define Region options to customize comparable search in the Comparables tab
- Edit (pencil) feature to update property data on the Comparables tab, as applicable
- Model vs. appraisal adjustment analysis on the Adjustments tab

### Validate property condition reported: subject property and comparable sales

Accept as accurate the appraiser's reported condition of the subject property and comparable sales unless reviewer's data validation identifies contradictory and/or conflicting information that materially impacts the condition reported; reviewer's data validation should include the following (at a minimum):

- Property Records section of the Comparables tab, for subject property and all comparable sales
- Appraisal report interior (subject) and exterior photographs
- Third-party sources (obtain additional comparable sale interior/exterior photographs, as applicable)

### Validate neighborhood data: subject property and comparable sales

Evaluate all data in the Neighborhood section of the appraisal report to determine accuracy and appropriateness of the scope of community and market established by the appraiser for the subject property and comparable sales. Confirm no external adverse influences and/or external obsolescence using the following CU functionalities located on the Comparables tab (or equivalent functionality from other third-party tools and data):

- Satellite View section of the Comparables tab
- EagleView section of the Comparables tab
- Property Records section of the Comparables tab, for subject property and all comparable sales

### Validate comparable sales analysis grid: subject property and comparable sales

Evaluate the comparable sales analysis grid to confirm accuracy of all data pertaining to subject property and comparable sales by using the CU functionalities located on the Comparables and Adjustments tabs (or equivalent functionality from other third-party tools and data):

- Satellite Views section of the Comparables tab
- EagleView section of the Comparables tab
- Property Records section of the Comparables tab, for subject property and all comparable sales
- Third-party sources (obtain additional comparable sale interior/exterior photographs as applicable)
- Update Model Data and Define Region options to customize comparable search in the Comparables tab, as applicable
- Edit (pencil) feature to update property data on the Comparables tab, as applicable
- Model vs. appraisal adjustment analysis on the Adjustments tab

### Assess opinion of market value: subject property

Evaluate the appraiser's opinion of market value for the subject property:

- If the reviewer identifies material errors in the appraisal report that invalidates the appraiser's opinion of market value for the subject property, the lender must self-report to Fannie Mae.