

# Value Acceptance + Property Data Readiness Lender Resource

## WHAT TO KNOW

Value acceptance + property data extends value acceptance (appraisal waiver) benefits to more borrowers while identifying current subject property characteristics including condition.

## Value Acceptance Steps

1. Lender receives value acceptance + property data offer from DU
2. Lender arranges for property data collection
3. Lender or service provider submits the results to Fannie Mae's API

## Benefits

- Reduces origination cycle time and may reduce borrower costs
- Promotes safety / soundness by obtaining current observation of the subject property
- Provides operational simplicity and certainty at application

Note: Fannie Mae estimates that value acceptance (appraisal waivers) on loans sold to us saved mortgage borrowers over \$2.1 billion in 2020-2022.

## What lenders can expect

- Lenders can expect to see a reduction in value acceptance (appraisal waiver) offers.
- The percentage of loans receiving value acceptance or value acceptance + property data offers will exceed the original value acceptance percentage for most lenders.
- Desktop Underwriter® (DU®) will begin to issue new messages for value acceptance + property data beginning April 15, 2023.

## Exercising value acceptance + property data

A lender may only exercise value acceptance + property data when

- the final submission of the loan casefile to DU resulted in an eligibility message for value acceptance + property data,
- property data collection is obtained after the initial DU offer,
- property data collection is submitted to the Property Data API,
- an appraisal is not obtained for the transaction, and
- the offer is not more than four months old on the date of the note and mortgage.

If the value acceptance + property data offer is lost due to changes in qualifying loan characteristics after the property data was obtained, in some cases it may be possible for the lender to submit the property data to an appraiser to perform a hybrid appraisal assignment. See *Selling Guide* B4-1.2-03, Hybrid Appraisals for specific requirements. Alternatively, the lender may obtain a desktop or traditional appraisal report as specified by DU.

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## CHECKLIST

### LOS Configuration

*Ensure that your LOS is configured to order, track, and receive property data collections*

- Add new valuation product- i.e., Property Data Collection
- Capture and orient to new Desktop Underwriter® messages that support value acceptance + property data
  - 3709- Value-Acceptance-Plus-Property-Data-Eligible
  - 3713- Value-Acceptance-Plus-Property-Data-Complete
- Ability to send DU Casefile ID to valuation service provider
- Ability (optional) to receive PropertyDataID back from valuation service provider
- Evaluate/Leverage Property Data API Integration
- Evaluate/Leverage use of Property Data API Review Tool (PDART)

### Training

*Ensure your staff is prepared to order and review property data collections*

- Train loan officer on how and when they can order a property data collection for a value acceptance+ property data eligible loan casefile
- Train loan officers on differences between value acceptance (appraisal waiver) vs value acceptance+ property data
- Train staff (underwriting, quality control, processors) on how and when to review a property data collection that has been provided by your service provider network
- Train staff on understanding how and when a 1004 hybrid may need to be ordered
- Train underwriters on how to identify and manage repair items

### Service Provider Network

*Ensure that your service providers can provide property data collections that support your business*

- Identify service providers that offer property data collections
- Understand each service provider product offering (Field services, handheld app, API integration, hybrid appraisal)
- Ensure assignment and coverage logic
- Understand who is submitting to the PropertyData API and when

### Order Fulfillment

*Prepare to review-and review the reviewer-in a manner that is cost and risk effective*

- Understand review obligations that are assigned to and performed by service provider
- Understand review obligations that are assigned to and performed by you, the lender

### Review

*Property data collections are a new product that you will need to operationalize*

- Define how the lender will process property data upon receipt (receive, review, deliver)
- Monitor service provider performance through quality control

### Loan Delivery

*Guidance on loan delivery when value acceptance+ property data is used*

- Refer to the [Delivering a Loan Without an Appraisal job aid](#) on the Fannie Mae Loan Delivery website

### Resources

- [Selling Guide Announcement \(SEL-2023-02\)](#)
- B4-1.4-11, Value acceptance+ property data [Selling Guide](#) policy
- Single Family [Value Acceptance \(Appraisal Waivers\) Page](#)
- Value Acceptance (Appraisal Waivers)- [FAQs](#)
- Value Acceptance (Appraisal Waivers)- [Fact Sheet](#)
- [Participating Value Acceptance+ Property Data Service Providers List](#)
- [Instructions for Delivering a Loan with Value Acceptance](#)