

# Borrower-Initiated Reconsideration of Value (ROV)

## Frequently Asked Questions

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On May 1, 2024, Fannie Mae in collaboration with Freddie Mac and HUD, published requirements related to a borrower-initiated reconsideration of value (ROV) that promote consistency when a perceived appraisal issue and/or appraisal deficiency exists. These requirements also recognize the importance of the Borrower having the knowledge and opportunity to request an ROV.

These frequently asked questions (FAQs) provide additional information about the borrower-initiated ROV requirements. Lenders should refer to *Selling Guide* section [B4-1.3-12, Appraisal Quality Matters](#) for the comprehensive policy requirements.

## FAQs

**Q1. Why did Fannie Mae implement these requirements?**

Historically, lenders have maintained their own ROV policies and procedures; Fannie Mae is implementing ROV requirements to promote consistency throughout the borrower-initiated ROV process.

**Q2. Will standardized order or disclosure forms be provided by Fannie Mae to lenders?**

No, lenders are responsible for creating and providing forms that include the information required by Fannie Mae *Selling Guide* in [B4-1.3-12, Appraisal Quality Matters](#).

**Q3. What does the requirement to provide a disclosure “at the time of application” mean?**

The first disclosure occurs “at the time of loan application,” which is the same as the “application date” definition in the *Selling Guide* glossary and aligned with the Truth in Lending Act and Real Estate Settlement Procedures Act (TRID or TILA-RESPA) definition in Regulation Z regarding the timing of disclosure.

**Q4. How will Fannie Mae evaluate compliance with the ROV requirements?**

Compliance with these requirements will be part of the lender’s operational review.

**Q5. What if the borrower-initiated ROV request submitted to the lender does not meet the minimum Fannie Mae requirements?**

If the borrower-initiated ROV does not meet the minimum Fannie Mae requirements, the lender should work with their borrower(s) to obtain any missing information and ensure the ROV request meets Fannie Mae requirements before sending the request to the appraiser.

**Q6. Can the borrower initiate more than one ROV?**

The borrower may request a maximum of one ROV for each appraisal report.



**Q7. Will a borrower-initiated ROV replace a lender's ability to request an ROV?**

No, Fannie Mae's borrower-initiated ROV requirements do not replace the lender's underwriting practices, which may provide for an ROV to be requested by someone other than the borrower.

**Q8. Can the borrower cancel a borrower-initiated ROV request?**

Yes, the borrower may cancel a borrower-initiated ROV request. The lender should communicate the cancellation process to the borrower.

**Q9. Once the ROV conclusion is made and there is no value change, may the borrower request a new appraisal?**

No, the decision whether to accept the appraiser's conclusions is the responsibility of the lender (Seller).

**Q10. As part of a borrower-initiated ROV, if the borrower identifies a minor error in the appraisal report and the appraiser determines the error does not impact the value of the property, is the appraiser required to update the appraisal report?**

Yes, for each borrower-initiated ROV, the appraiser must update the appraisal report to correct any errors and provide comments on the change(s).

**Q11. What if the borrower-initiated ROV identifies material deficiencies in the appraisal report?**

The lender must work with the appraiser to have all material deficiencies corrected.

**Q12. Must a borrower-initiated ROV adhere to Appraiser Independence Requirements (AIR)?**

Yes, all appraisals and ROVs submitted to Fannie Mae must comply with AIR.

**Q13. How do these requirements apply to third party-originated loans?**

For each loan sold to Fannie Mae, the lender is responsible for ensuring compliance with the borrower-initiated ROV requirements, even if the lender did not originate the loan.