

WHOLESALE BULLETIN

IMPORTANT INFORMATION: PLEASE READ IMMEDIATELY

[Guidelines](#)

[Bolt Training](#)

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20W-039

Attention: AEs, Business Development Managers & Mortgage Brokers

April 22, 2020

Please take a moment to read the important information contained in this bulletin.

Included in this Bulletin: **REVISED** Conventional Loans - Alternative Appraisal Guidelines

On March 13, 2020, the President of the United States declared a National Emergency due to Coronavirus Disease 2019 (COVID-19) pandemic. Mountain West Financial, Inc. is committed to protecting our clients, appraisers and industry stakeholders while continuing to execute our mission of 'making homeownership a reality'. We are announcing temporary flexibilities in the appraisal process in alignment with the GSE's which are effective immediately for all loans in process and will remain in place for loans with application dates on or before May 17, 2020.

The following table provides conventional appraisal requirements based on Mortgage purpose, loan-to-value (LTV) ratio, occupancy type and Mortgage ownership.

Permissible appraisal requirements

Mortgage purpose	LTV ratio	Occupancy type	Ownership of Mortgage being refinanced	Permissible appraisals (in order of preference)
Purchase transaction*	Up to 97%	Primary Residence	N/A	Interior and exterior inspection appraisal, desktop appraisal or exterior-only appraisal
	≤85%	Second homes and Investment Properties	N/A	Interior and exterior inspection appraisal, desktop appraisal or exterior-only appraisal
	>85%	Second homes	N/A	Interior and exterior inspection appraisal
No cash-out refinance	As permitted in the Guide	All	Mortgage being refinanced owned by FNMA or FHLMC	Interior and exterior inspection appraisal or exterior-only inspection
			Mortgage being refinanced not owned by FNMA or FHLMC	Interior and exterior inspection appraisal
Cash-out refinance	As permitted in the Guide	All	Mortgage being refinanced owned or not owned by	Interior and exterior inspection appraisal

*These flexibilities are not permitted for Construction Conversion, Renovation or new construction properties.

During the application process the Mortgage Loan Originator is to run both DU and LPA to see if the file first qualifies for an appraisal waiver. If neither PIW or ACE are available, use the Fannie Mae and Freddie Mac loan lookup tools to see if there are appraisal alternatives available for conventional loans to see if the initial loan being refinanced was sold to either Fannie Mae or Freddie Mac. The lookup websites are:

FannieMae Loans:

<https://www.knowyouoptions.com/loanlookup>

FreddieMac Loans:

<https://ww3.freddiemac.com/loanlookup/>

MLO to provide proper notation in the file as to Fannie Mae or Freddie Mac and run through the appropriate AUS. Look to see if the AUS calls for a property inspection waiver (PIW). If borrower desires an appraisal alternative, the MLO is to order accordingly from Mortgage Works AMC.

Appraisal Inspection Confirmation form signed by homeowner is **NOT** required for any appraisal alternative during the pandemic.

Completion Reports (Form 1004D)

We require the *Appraisal Update and/or Completion Report* (Form 1004D) to evidence completion when the appraisal report has been completed "subject to." For all loans for which a completion certification is not available due to issues related to COVID-19, we will permit the borrower to sign a letter of certification (see attached) confirming that the work that does not require a licensed contractor was completed. Further evidence of completion must be provided, which may include photographs of the completed work, paid invoices indicating completion, occupancy permits, or other substantially similar documentation.

When applicable, the MLO or Processor will complete and send the form the Borrower(s) to execute and provide photos or other evidence to fulfill re-inspection requirements. Form is available on the BOLT Dashboard.



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Coronavirus (COVID-19) Appraisal Resources:

[Appraisal Alternative Borrower Letter for Conventional loans \(Purchases & R/T Refis\)](#)

[Borrower Certification for 1004Ds](#)

Guidelines

- Affordable Housing
- Conventional
- Non-QM

Turn Times

- Southwest Regional Operation Center
- NorCal Regional Operation

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