

1 **I. DOING BUSINESS WITH FHA**

2 **B. OTHER PARTICIPANTS IN FHA TRANSACTIONS**

3 **1. Appraisers**

4 **a. FHA Appraiser Roster**

5 The success of FHA insurance programs and HUD's ability to protect the Mutual Mortgage
6 Insurance (MMI) fund begins with the lender selecting qualified, competent and
7 knowledgeable appraisers.

8 **i. FHA Appraiser Roster Eligibility Requirements**

9 The [FHA Appraiser Roster](#) lists appraisers who are eligible to perform FHA appraisals.
10 To conduct an appraisal for FHA-insured financing, the appraiser must be listed on the
11 FHA Appraiser Roster.

12 **(A) Appraiser Eligibility**

13 To be eligible, the appraiser must:

- 14 • be a state-certified appraiser with credentials based on the minimum
15 licensing/certification criteria issued by the Appraiser Qualifications Board
16 (AQB) of the Appraisal Foundation; and
17 • not be listed on the [System for Award Management \(SAM\)](#), HUD's [Limited
18 Denial of Participation \(LDP\) List](#), HUD's [Credit Alert Verification Reporting
19 System \(CAIVRS\)](#), or subject to any current loss of standing or suspension as
20 a certified appraiser in any state.

21 **ii. FHA Appraiser Roster Application Process**

22 Applications must be submitted online. To apply, the appraiser must visit [FHA's
23 webpage for FHA Roster Appraisers](#). The appraiser is required to certify that the
24 appraiser has “read and fully understand and will comply with *FHA Single Family
25 Housing Policy Handbook (SF Handbook)*, and *FHA Single Family Housing Residential
26 Appraisal Report and Data Delivery Requirements*.”

27 Applicants may determine status by periodically checking the online roster status page on
28 the appraiser portal.

29 Applicants deemed ineligible for placement on the [FHA Appraiser Roster](#) will be notified
30 electronically and provided the reason(s) for denial.

1 **(A) Appraiser Competency Requirement**

2 FHA requires that the appraiser assigned to provide the appraisal is able to complete
3 an assignment for the property type, assignment type, and geographic location of the
4 subject property.

5 Appraisers must comply with the [Uniform Standards of Professional Appraisal
6 Practice \(USPAP\)](#), including the Competency Rule, when conducting appraisals of
7 properties intended as security for FHA-insured financing.

8 **(B) Non-Discrimination Policy**

9 FHA regulations on choosing appraisers state that there shall be no discrimination
10 based on race, color, religion, national origin, sex, age or disability.

11 Mortgagees must comply with anti-discrimination requirements and affirmatively
12 select female and minority appraisers for a fair share of appraisals commensurate with
13 their representation on the [FHA Appraiser Roster](#).

14 **(C) Contractual Responsibility of Appraisers**

15 The appraiser is hired by the mortgagee or a third party designated by the mortgagee,
16 and therefore has a contractual responsibility to the mortgagee. The appraiser is
17 obligated to perform appraisal services in accordance with HUD regulations, policies,
18 and requirements. The appraiser also has certain administrative responsibilities,
19 which include keeping personal and business information up to date via the [FHA
20 Connection \(FHAC\)](#). Failure to comply with this requirement could result in
21 additional administrative action or sanction.

22 HUD/FHA is an intended user of the appraisal and must be listed in the appraisal
23 report as an intended user. These contractual obligations to the mortgagees and
24 HUD/FHA are in addition to the appraisers' legal obligations to their credentialing
25 state.

1 **FHA Single Family Housing Policy Handbook**

2 **GLOSSARY**

3 **Borrower**

4 Borrower refers to each and every borrower on the loan application. Is used to cover all (one or
5 many) borrowers applying for the mortgage.

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7 **Days**

8 Days refer to calendar days.

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10 **Entity**

11 Entity refers to a business entity such as a corporation, trust, partnership, or sole proprietorship.

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ACRONYMS

- AMC** – Appraisal Management Companies
- AQB** – Appraiser Qualifications Board
- ASC** – Appraisal Subcommittee
- AVM** – Automated Valuation Model
- CAIVRS** – Credit Alert Verification Reporting System
- DE** – Direct Endorsement
- HOC** – Homeownership Center
- HQ** – Headquarters
- LDP** – Limited Denial of Participation
- MMI** – Mutual Mortgage Insurance
- NOD** – Notice of Deficiency
- OIG** – Office of Inspector General
- RESPA** – Real Estate Settlement Procedures Act
- SAM** – System for Award Management
- TILA** – Truth in Lending Act
- USPAP** – Uniform Standards of Professional Appraisal Practice

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