



FHA's Office of Single Family Housing

Office of Single Family Program Development

FHA's Electronic Appraisal Delivery (EAD) Portal: Direct Integration Service Provider Technical Overview

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Summary

- EAD Portal System Functionality
- Lender Registration Process and On-boarding
- Requesting and Using the EAD Portal Direct Integration
 - Timeframes
 - Technical Integration Guide (TIG)
- EAD Portal and Uniform Collateral Data Portal (UCDP) Differences
- Questions and Answers



EAD PORTAL SYSTEMS FUNCTIONALITY

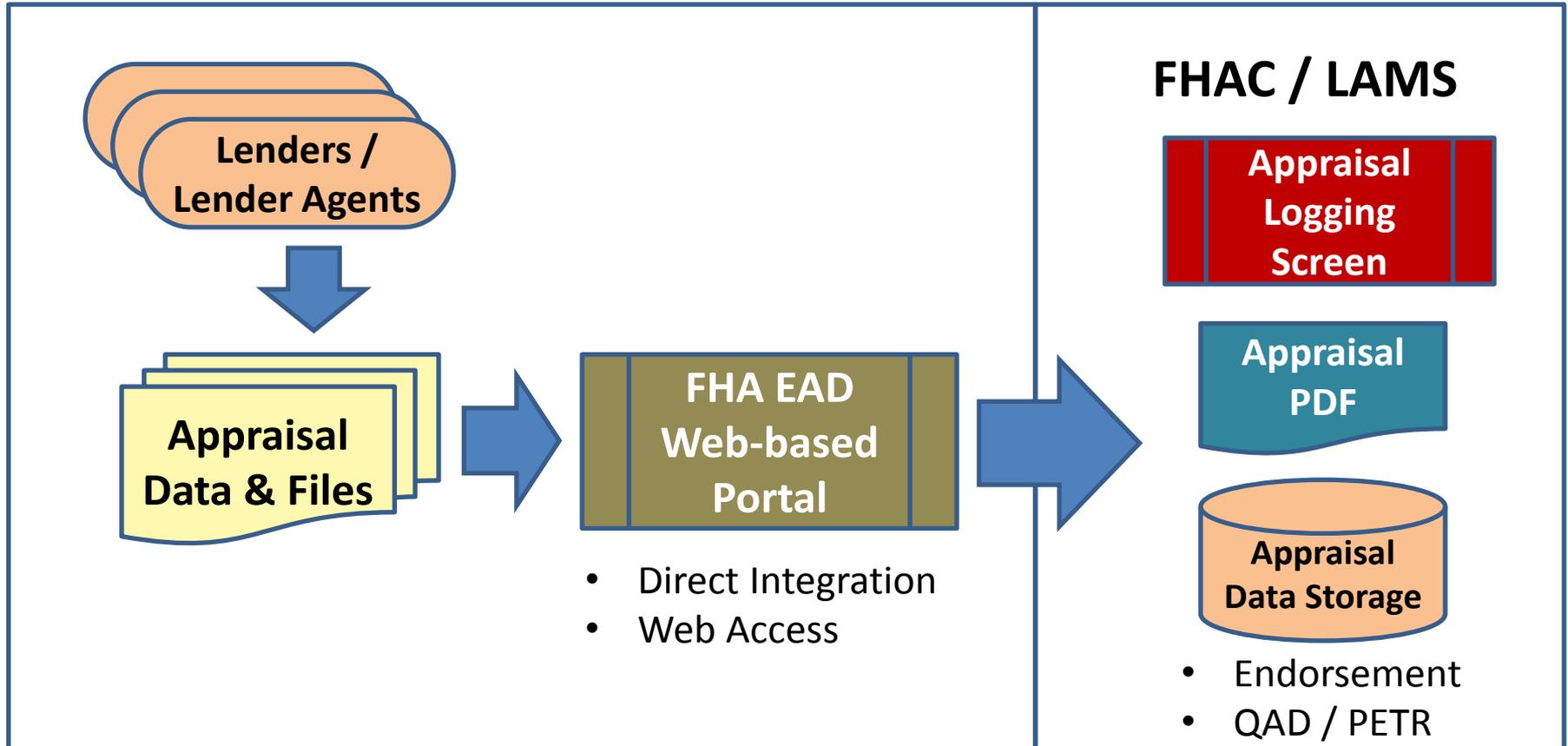


Overview

- FHA's Electronic Appraisal Delivery (EAD) portal is a web-based platform where mortgagees and their authorized agents will electronically submit all appraisal reports prior to endorsement.
- Website hosted by Counter Trade and Veros, the third-party contractor at **ElectronicAppraisalDelivery.com**.
- EAD enables FHA-approved mortgagees and/or their third-party service providers to access the portal to electronically upload, submit and/or view appraisal data.
- Provides automatic update of appraisal data on the Appraisal Logging screen in FHA Connection (FHAC), a link for FHA to the Appraisal PDF file(s) to support the Endorsement, Quality Assurance Division (QAD), and Post-Endorsement Technical Review (PETR) processes.

Electronic Appraisal Delivery (EAD)

Electronic Appraisal Process (EAP)





EAD/EAP Features

- Leverages industry data standards, systems, and processes.
- Deploys Uniform Appraisal Dataset (UAD) compliance rules.
- FHA specific rules for file compliance.
- Links data submitted to the portal to data in FHA's endorsement system, FHA Connection (FHAC), including auto-population of the FHAC Appraisal Logging screen.



EAD Benefits

- Reduces error rates before endorsement by identifying data and compliance issues up front.
- Offers process efficiencies inherent in an electronic data submission (e.g., eliminates paper-based reviews).
- Mirrors, in large part, the electronic appraisal technology currently in use for conventional mortgages, providing process consistency.



Two Access Methods

- Web Access
 - FHA-approved lenders or their designated agents can access the portal via the portal's URL.
- Direct System Integration
 - Lenders **or their designated vendor** can build a direct interface between their loan origination systems and the portal.



EAD Portal Functionality

- **Submit Appraisal**
 - For submission of appraisals received from approved FHA Roster appraisers.
- **Search**
 - Enables users to search for previously submitted appraisal data files using search parameters.
- **Reports**
 - Ability to select, execute, and schedule reports.
- **Account Administration**
 - Opens user profile page to set preferences.



Appraisal Report Forms Supported

- Mortgagees will be able to deliver the following appraisal reports to FHA via the EAD:
 - Must use MISMO 2.6 GSE Extended format, and meet the standards of the Uniform Appraisal Dataset (UAD) for the following:
 - *Uniform Residential Appraisal Report (FRE Form 70/FNMA Form 1004)*
 - *Individual Condominium Unit Appraisal Report (FRE Form 465/FNMA Form 1073)*
 - Must use MISMO 2.6 Errata 1 format for the following:
 - *Small Residential Income Property Appraisal Report (FRE Form 72/FNMA Form 1025)*
 - *Manufactured Home Appraisal Report (FRE Form 70B/FNMA Form 1004C)*
 - *Appraisal Update or Completion Report (FRE Form 442/FNMA Form 1004D)*



LENDER REGISTRATION AND ON-BOARDING



EAD Registration and On-boarding

- There are two steps to complete the sign-up process for EAD:
 - Lender Registration
 - The process of selecting one of the 60-day periods for on-boarding.
 - Lender On-boarding
 - The process for obtaining credentials from FHAC and obtaining access to the EAD Portal.



EAD Registration

- Lender's FHAC Coordinator must register for one of the six remaining on-boarding phase by:
 - Logging on to FHAC;
 - Selecting the Lenders Functions Option; and
 - On the Lender Functions screen, choosing the second item on the menu—Electronic Appraisal Delivery Sign Up.
- The EAD sign up option will take you to the information screens for selecting or changing an on-boarding phase.



EAD On-boarding

- Lenders are required to establish their log-on process for the EAD portal.
- During a Lender's onboarding phase Lenders must obtain access to the EAD Portal for each FHA unique Lender ID.
- Designate and then register an EAD Administrator in FHAC.
- Lenders must register their approved vendors that will have access to the EAD portal.



REQUESTING AND USING DIRECT INTEGRATION (DI)



Direct Integration (DI) Certification Steps

- EAD has the same certification steps as UCDP:
 - Request a Technical Integration Guide (TIG) from FHA's Website:
 - http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/lender/origination/ead;
 - Receive the TIG;
 - Request and receive the test credentials, test cases and tools to test in the EAD Integrated Test Environment (INTG);
 - Test in INTG;
 - Provide test case results of testing to Veros;
 - Veros validates test cases; and
 - EAD DI production certification is issued.



10-to-16 Weeks to Complete DI with EAD*

Step	Timeline
Initial Request for TIG	2-3 Business Days
Test Credentials and Test Packet	2-3 Business Days
Service Provider Development – UCDP Ready	4-6 Weeks of Development
Service Provider Development	6-12 Weeks of Development
Integration Testing	1-3 Weeks
Test Case Validation Period	3-5 Business Days**
EAD DI Production Certification	1-2 Business Days

*Estimates will vary based on systems and resource allocation.

**If test cases fail validation, the vendor must resubmit corrected test cases until validated.





EAD AND UCDP DIFFERENCES



Unique Features of EAD vs. UCDP

- New Forms Supported:
 - Supports Forms: 1004; 1073; 1004C; 1025; 1004D.
- New UAD edits:
 - 17 new (fatal) edits on 1004; and
 - 15 new edits on 1073 to align with FHA guidelines.
- Hard Stops to Support Endorsement:
 - Confirms data required for the FHAC Appraisal Logging Screen.
- FHA Proprietary Findings on 1004 (Warnings).



Unique Validations

- Requires a HUD Case Number:
 - Must be present on the appraisal form and in EAD submission; and
 - Must be valid in CHUMS & match subject address (auto-override allowed).
- Lender Validation:
 - Must be a valid FHA lender.



Appraiser Validations

- Appraiser Validation:
 - Must be on FHA Appraiser Roster (manual override).
 - The appraiser certification is not expired, terminated or ineligible.
 - Appraiser certification state must match subject property state
 - Supervisory appraiser not allowed.
 - Appraiser Digital Signature (auto-override) – *Appraisers will be required to digitally sign the appraisal using the forms vendor software.*



Case Validation

- Appraiser must be on the FHA Appraiser Roster.
- HUD Case Number is missing or provided in an invalid format.
- Appraised value is missing or provided in an invalid format.
- Missing or variance in subject address.
- A complete list of Hard Stops is on the FHA EAD website:
 - http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/lender/origination/ead



Supported Forms

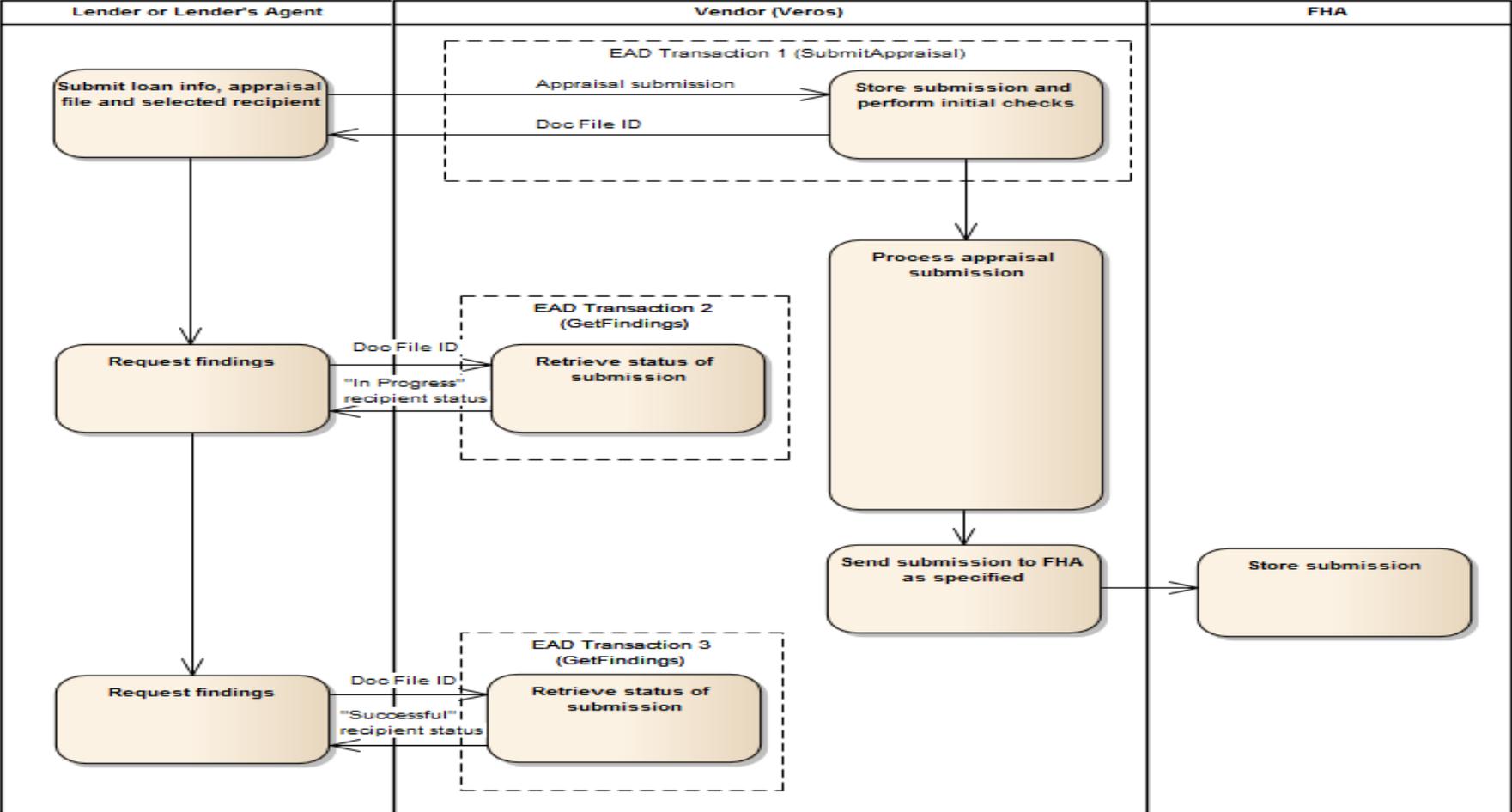
- EAD Supported Forms

- 1004/70
- 1004C/70B
- 1025/72
- 1073/465
- *1004D/442*

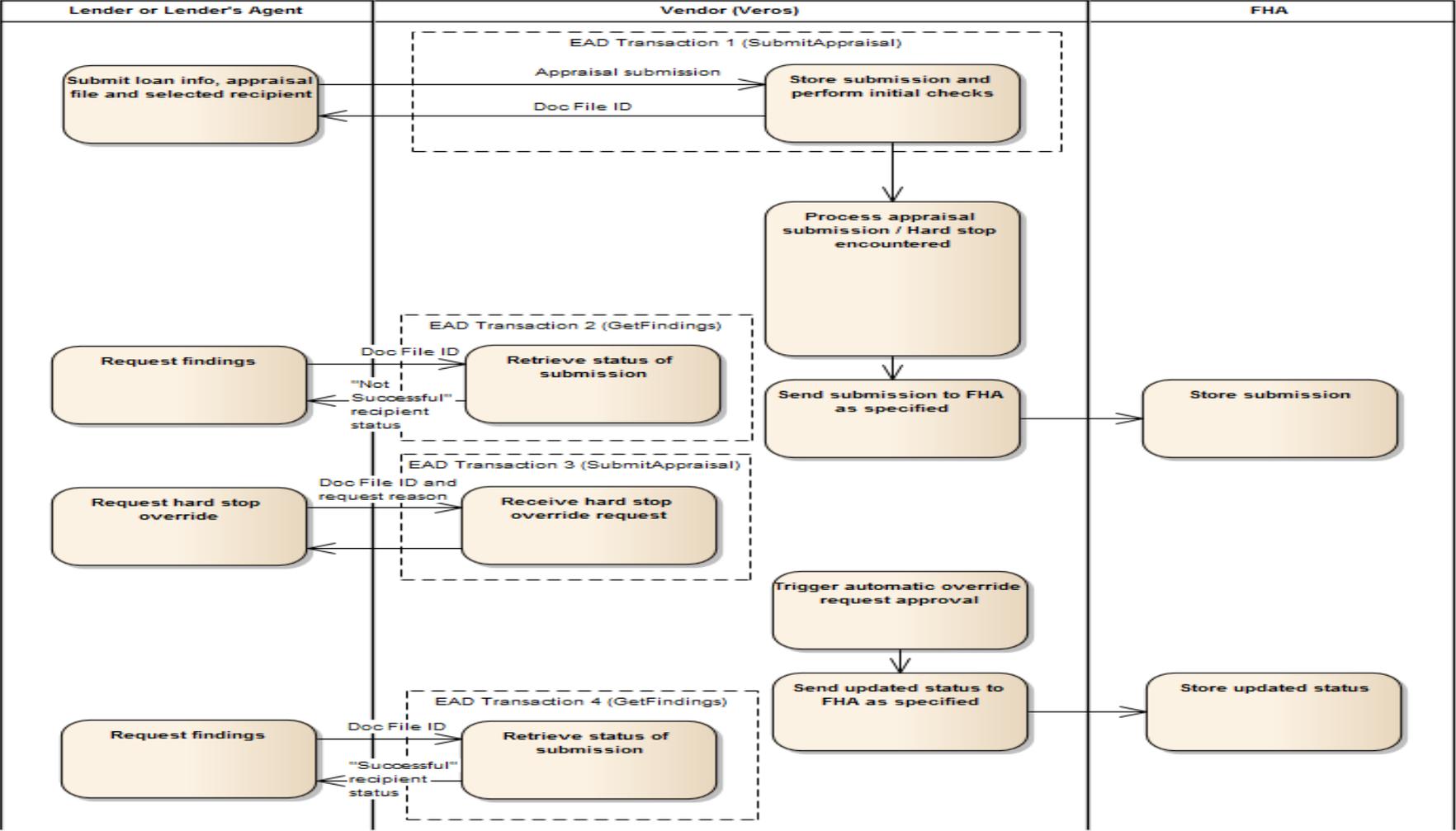
- UCDP Supported Forms

- 1004/70
- 1004C/70B
- 1025/72
- 1073/465
- *1075/466*
- *2055/2055*
- *2090*
- *2095*

Successful Transaction Workflow



Hard Stop – Override Workflow





QUESTIONS?



THANK YOU!

