



VALUATION FULFILLMENT

GEOGRAPHIC COVERAGE:

FDI maintains nationwide coverage providing residential appraisals within all fifty (50) jurisdictions.

APPRAISAL SERVICES:

- Single Family Residential Full (FNMA/FHA 1004);
- Plans & Specs;
- REO Appraisals;
- Multi-Family Appraisal;
- Desktop (2006) & Filed Review (2000);
- Drive-By Appraisals (2055/2075);
- Completion Inspection & Updates (FNMA 1004D)/Construction Draws.

APPRAISAL CONTENT:

Each appraisal will clearly set forth, in writing, the appraisal analysis, opinion or conclusion in a manner which is not misleading. The report must contain sufficient information to be properly understood, without confusion. As such, each appraisal shall contain:

- A statement of purpose for appraisal valuation;
- A defined value;
- An effective date of the opinion and the date of the report;
- A defined scope of the appraisal valuation;
- All relevant limiting conditions;
- A correct census tract and community panel information;
- Any relevant information regarding compliance with market related facts to draw conclusions; and
- Sufficient supporting documentation, including all pertinent information regarding the appraiser's logical reasoning, judgment and conclusions which reflect the reasonableness of the reported market value.

RELATED VALUATION OFFERINGS:

FDI provides a full range of available valuation alternatives, including Broker Price Opinions (BPO), Automated Valuation Models (AVM) and Property Condition Reports, in the same manner and geographical locale as our appraisal related services.

BROKER PRICE OPINIONS (BPO):

The Broker Price Opinion (BPO) is a limited real estate informational report provided by a licensed real estate professional. The BPO is typically used to estimate the most probable price for which the subject property should likely command upon the open market. In the performance of the BPO, the real estate professional shall seek out like properties with similar features, including design, condition and location in an effort to obtain the most accurate estimate possible.

Our BPO services range from simple Exterior Drive-By inspections to Full Interior inspections and the resulting opinions may be provided in either standard or customized formats.

BPO CONTENT:

- Exterior inspection of the subject property and addresses any adverse conditions that may be evident (Interior inspection upon request);
- Includes one photo of the front of the subject property;
- Analysis of the supply and demand for like properties within the subject market;
- Information regarding competitive current listings and comparable sales within the subject market;
- Addresses adverse conditions evident from

AUTOMATED VALUE MODELS (AVM):

The Automated Valuation Model (AVM) is based upon information currently available through on-line resources and is generated immediately through electronic means. FDI supports the following AVM Models:

- ValuePoint 4;
- PowerBase 6;
- HPA;
- PASS;
- Home Value Explorer;
- Vero Value;
- I-VAL;
- CMA;
- CASA;
- Veros AVM Default; and
- VP4 Default

FDI also maintains the ability to customize a Cascade according to client specifications.

PROPERTY CONDITION REPORT (PCR):

A licensed real estate professional or appraiser performs an exterior inspection of the subject property for evident adverse conditions that may impact that property's value. The findings are then reported, via the FDI Property Condition Report form (PCR), together with relevant photographs of the front of the subject property, the street related scene, as well as address verification, when available.

No valuation is provided with the PCR Report.

COMPLIANCE:

Market conditions and resultant legislative enactments now make it more important than ever to ensure appraiser independence. Engaging our services provides the assurances needed to know that your assignments are completed in full compliance with all applicable laws and regulations, including:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- The Financial Institutions Reform, Recovery and Enforcement Act, inclusive of Title XI (FIRREA);
- The amended HOEPA provisions relevant to prohibitions regarding appraiser coercion and/or influence, ensuring valuation independence;
- The relevant provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the recent amendments to Regulation Z, including, but not limited to, assurances that appraisers receive reasonable and customary fees for their appraisal related services; and
- Fannie Mae and Freddie Mac underwriting standards.

As such, all appraisals completed shall adhere to any relevant secondary market guidelines needed to comply with investor/pool requirements.

We utilize a vast network of independent contractor appraisers and our Appraisal Quality Assurance Department closely monitors all licenses and certifications to ensure that only those appraisers with proper credentials complete all assignments.

Our Appraisal Quality Assurance Department is responsible for the review of all appraisal products prior to delivery to each client, including full inspection reports, drive-by appraisals, and field reviews. This department works directly with the appraiser with the goal of ensuring that each assignment is completed correctly and each report is thoroughly reviewed for compliance with the above referenced matters. With a complete review, each report is further checked for internal consistency, correct appraisal methods and logical value conclusions, as well as a quality check for additional attachments, correct photograph requirements and proper limiting conditions forms.

If you have any questions about an appraiser or appraisal you may contact Scott Getsy, VP of Valuations, at FDI national processing center in Pittsburgh, PA.

ORDER PLACEMENT:

Appraisal orders will be accepted by the following means: Fax [1-(866) 869-2266], electronically (fdiappraisal@financialdimensions.com), via the Internet (www.financialdimensions.com) or frame to frame. All orders received by 4:00PM EST will be confirmed, via e-mail, to the corresponding recipient by the close of business the day the order is received or otherwise made available on the web.

TURN TIME EXPECTATIONS

FULL APPRAISALS:

Our appraisers will make contact with the borrower within 24 hours of ordering and attempt to set the appointment within 48 hours of receipt. Once an appointment is set, an e-mail will be generated to inform the processor. Electronic copies of the appraisal (PDF) shall be delivered to the appropriate processor/loan officer within 48 hours of inspection. If any of these standards do not appear to be attainable, a delay notice will be generated and electronically communicated to the appropriate loan officer detailing the circumstances and, if necessary, requesting assistance in resolving the delay.

DRIVE- BY APPRAISALS/EVALUATIONS:

FDI drive-by evaluations are completed without an interior inspection and therefore there is no direct contact with the borrowers. Turnaround time for an electronic copy is 3-4 working days in most areas. However, there will be remote and rural locations that may require longer turnaround times. In those cases, FDI shall electronically communicate a delay notice detailing the nature of the delay.

CONDITIONS & ADDENDA:

It is agreed that a significant majority of conditions should be handled within forty-eight (48) hours. If a condition should occur, the lender will submit their request to their customer service contact. From that point, the customer service representative will initiate the request with the appraiser and accordingly respond back to the lender representative.

APPRAISAL FEE QUOTES:

Fee quotes become a necessary part in the course of our business due to the occurrence of unusual, rural, or high-end properties that fall out of the standard realm of appraisal research.

Appraisals that are performed on residential properties with the following conditions will require a fee quote in advance unless otherwise specified:

- ✚ Properties located in rural or remote locations
- ✚ Multi-family dwellings
- ✚ Other unusual properties such as resort, vacation, or ocean front areas

In all such cases, FDI will advise via fax or e-mail the appropriate fee.

ORDER PROCESS:

The (FDI) order assignment department is currently organized into four regional teams responsible to assign the order, manage the vendor follow-up on the day to day processing of the individual orders. The team's extensive knowledge of the region combined with systemic data allows for the most accurate decision in vendor assignment. Depending on the product type, the order will be placed with an appraiser in the field within hours that will be provided with an engagement letter that outlines the conditions and requirements of the appraisal.

The borrower will be contacted within 24 hours to set the appointment. Upon completion of the appointment the appraiser is contacted to restate the expected due date and confirm the receipt of the report within 48 hours. The report is then quality checked within four hours. A specialized team within our Customer Service unit will also monitor and assist the appraisal operations department in these daily duties.

APPRAISER ELLIGABILITY:

FDI utilizes our own network of highly experienced independent contractor appraisers. Our vast network consists of over 8,000 appraisers and brokers, developed through more than 10 years of selection and evaluation. Their selection and continued retention within our network is exclusively based upon their proven abilities, dependability and the quality of their work product.

We employ an in-house staff of recruiting specialists who canvas the country in search of quality appraisers. Our goal is to maintain the best possible network of qualified appraisers, with a focus on developing long term, mutually beneficial relationships with an emphasis on quality, ethics, efficiency and open communication allowing for the best service possible.

Minimum approval standards mandate a current license and/or certification, as well as 3 years of field experience. A copy of each appraiser's license or certification is kept on file with the expiration date coded into the order database and we proactively update our vendor records to ensure that we have the most up to date information at all times. Trainee work is not accepted as all properties must be inspected by a licensed or certified appraiser.

QUALITY ASSURANCE PROCESS:

Each report is reviewed by one of our Internal Quality Control Specialists for accuracy and completeness. This process is designed to anticipate and address the questions most frequently asked by underwriters and technical reviewers to ensure the appraisals can be utilized immediately upon delivery. The high quality of our reports reduces the need for additional information after the appraisal report has been completed. Our Appraisal Quality Control Specialists make sure we are providing the best quality product possible.