



COVID-19 Appraisal Resource Guide

In light of the COVID-19 pandemic and inspection challenges appraisers may face during these unprecedented times, we are providing this resource guide. As you develop your techniques, please share them with us so we can, in turn, share with the rest of the AXIS appraiser community. You can reach us at covid_directives@axis-amc.com.

The following guide is for reference and suggested best practices to get the most accurate information without physically inspecting the subject.

1. **Research** the subject property before the interview:
 - a. Identify any concerns upfront with the ability to complete from the desk or exterior.
 - b. Research public records, plat, zoning, available sketch from county
 - c. Review current or prior MLS listings and photos
 - d. Other items to verify and/or items to ask regarding physical characteristics.
2. **Interview the contact (agent/homeowner):**
 - a. The interview may be via phone, email, or possibly a video app if the client or client's agent provides.
 - b. Verify physical characteristics
 - i. The living area and bed/bath
 - ii. Basement including finishes, rooms, baths, walkout, sump pump
 - iii. Interior materials and finishes by room (i.e. flooring, kitchen counters, appliances, baths, crown moldings, etc.)
 - iv. Garage
 - v. Exterior amenities (pool, barn, etc.)
 - vi. Heating
 - vii. Well/Septic/Public
 - c. Verify views, external seen from aerials
 - d. Ask if the customer can provide floor plans, photos, or invoices if recently updated
 - e. If exterior, ask if the property is in a gated development, is gated, or if it is not easily visible from the road.
 - i. If yes, schedule an appointment for access to the community (or the subject's driveway).
 - ii. Communicate to the contact when you will be in the area taking photos of the front of the property and the street. And if applicable, take exterior measurements.
 - f. Indicate a follow-up call may be needed if there are further questions.
3. **Determine if data is adequate to arrive at credible results**
 - a. If yes, proceed
 - b. If no, contact the client to communicate the issues presented
4. **Summarize your scope of work**
 - a. The level and extent of the inspection of the property (exterior only)
5. **Assumptions**
 - a. Freddie Mac and Fannie Mae indicate there should be no extraordinary assumptions used.
 - b. Assumption #3 on the temporary Scope/Certifications text covers this area.
6. **Disclose where information including attachments was obtained and retain for your work file**
 - a. Photos as MLS photos or provided by the homeowner, agent, etc.
 - b. Sketch provided through county records or homeowner
 - c. The data sources and verification of the subject property characteristics including specific interview information (date, time, email, phone, etc...)

Below is a checklist of suggested questions and interview techniques that may help in determining an accurate condition and description of improvements if a full and or typical inspection is not possible:

Phone interview questions:

- Describe the condition of the subject with a rating of 1 - 6, 1 being recently built or completely remodeled, 6 being a teardown or a home with significant deferred maintenance. ****This rating system coincides with UAD definitions that are used on the appraisal.**
- Describe any additions or known renovations completed on the subject and provide dates, prices and permit history if applicable.
- Describe any deferred maintenance issues, for example, known roof leaks, plumbing issues, damaged or worn flooring, holes in walls, etc. and or current or ongoing renovations or repairs needed.
- Describe all noted amenities such as fireplaces, swimming pools, solar panels, upgraded countertops, cabinets, etc.
- If interior (or exterior) photos are needed instruct that multiple angles of each room/ area should be taken along with photos of ceilings and significant features, renovations, deferred maintenance and if possible, ask that a walk-through video be provided of the home.
- Do you have a solar system? If so:
 - Is it leased, financed or owned outright?
 - If owned outright, please provide copies of paid invoices/receipts and the agreement.

(REMINDER: If leased or financed, *no* value may be given.)

- To the homeowner: May I email you a list of photos for you to take to assist me in valuing your home? You can email them to me.

Sample Email to Homeowner

Dear homeowner,

Thank you for agreeing to send me photos of your home. Below is a list of photos I would normally take if visiting your home. Before you begin, the following guidelines will greatly improve the utility of the photos:

- Use a flash for all indoor photos.
- Include flooring whenever possible, especially in bathrooms.
- Kitchen photos should show flooring, countertops, and cabinetry.
- Bedroom photos can usually be taken at or near the doorway, try to include the closet if possible.
- NO people visible in the photos (watch for mirrors).

Providing as many of the following photos in the highest resolution possible will greatly assist me:

- Front photos from the street (Front Left Front Right Address Numbers)
- Rear photos (Rear Left Rear right Backyard features - shed, pool, covered patio)
- Any photos of superior views, if applicable (mountain, ocean, panoramic)
- Interior and Exterior photos of separate dwelling units, if applicable
- Miscellaneous items (OWNED solar, impact windows, etc.)
- Living Room
- Dining Room
- Kitchen photos from 2 different directions
- Family Room/Den/Study/Office (1 of each, if applicable)
- Master bedroom (if applicable)
- Master bathroom (if applicable)
- Each other bedroom (bedrooms)
- Each other bathroom (baths)
- Furnace/Boiler/AC

Basement

- If unfinished, 1 or 2 from opposing corners
- If finished, 1 photo of each room/space (family/rec room bedroom bath other)

Suggested Statements to Use Within Your Appraisals

Data Collection:

Due to the COVID-19 outbreak and lack of complete access to the subject property, the Lender/Client and/or the homeowner provided a detailed description of the current level of condition and upkeep for the subject along with all interior (and exterior if applicable) photos. This information, along with other available data sources is sufficient to derive an accurate depiction of the salient features and amenities of the subject property. Unless otherwise indicated, no existing deficiencies were noted or disclosed.

Note:

The revised scope of work and certification removes the requirement for the appraisal to be submitted "subject to" an extraordinary assumption. If adequate information about the subject property is not available from a credible source, then the desktop or exterior-only inspection appraisal is not acceptable. Appraisers must have data sources they consider reliable. The assumption that data sources are correct is not considered an extraordinary assumption.

National Market Conditions:

COVID-19 has been declared a pandemic by the World Health Organization (WHO) and a national state of emergency is now in place. Substantial turmoil has occurred in financial markets and due to the developing situation, it is not possible at this time to quantify its long-term or short-term effects on real estate markets or the subject property. The value opinion contained in this appraisal is based on findings of an analysis of market data available to the appraiser at the time of the assignment. The reader is cautioned and reminded that the conclusions presented in this appraisal report apply only as of the effective date indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event after the effective date of the appraisal.

Comments regarding Condition Ratings

Within your commentary, please provide enhanced comments and reasoning leading to your determination for the condition rating used, to keep any potential revisions to a minimum.

Links for Additional Guidance

<https://singlefamily.fanniemae.com/media/22326/display>

<https://appraisalfoundation.sharefile.com/share/view/s8112acd01544043a>

https://www.appraisalinstitute.org/ano/ai-issues-coronavirus-related-direction-for-appraisers/?pg=2&F_All=y

<https://sf.freddiemac.com/faqs/covid-19-selling-related-frequently-asked-questions>

Please feel free to reach out to us if you should have any questions and thank you for all your hard work!