Ready Doesn't Mean Perfect: Preparing for UAD 3.6

As we get closer to the broader transition to UAD 3.6, we've had a lot of conversations with clients, appraisers, technology providers and our own staff about one simple question:

Are we ready?

Our answer is **yes**.

But we think it's important to explain what we mean by "ready."

We've been in the appraisal industry long enough to know that major changes rarely happen without a few bumps along the way. UAD 3.6 is no exception. In fact, this may be one of the most significant changes our profession has experienced in a very long time.

There will be technology challenges. There will be learning curves. There will undoubtedly be moments when something doesn't work exactly the way everyone expected.

But when we look at AXIS and our readiness, the first thing we look at isn't the technology.

We look at our people.

Our People Are Ready

Technology is going to play an enormous role in UAD 3.6, but technology and readiness are not the same thing.

We have tremendous confidence in the people we have at AXIS.

Our QC staff understands appraisal. They understand valuation methodology, market analysis, risk and the importance of looking beyond a simple warning or validation message. Our operations staff understands how important communication becomes when something doesn't go according to plan.

And our responsibility to our clients has not changed.

We need to deliver credible appraisal products, identify issues before they become bigger issues and help our clients understand whatis happening when questions arise.

A computer can tell us that something doesn't validate.

An experienced appraisal professional needs to understand **why**.

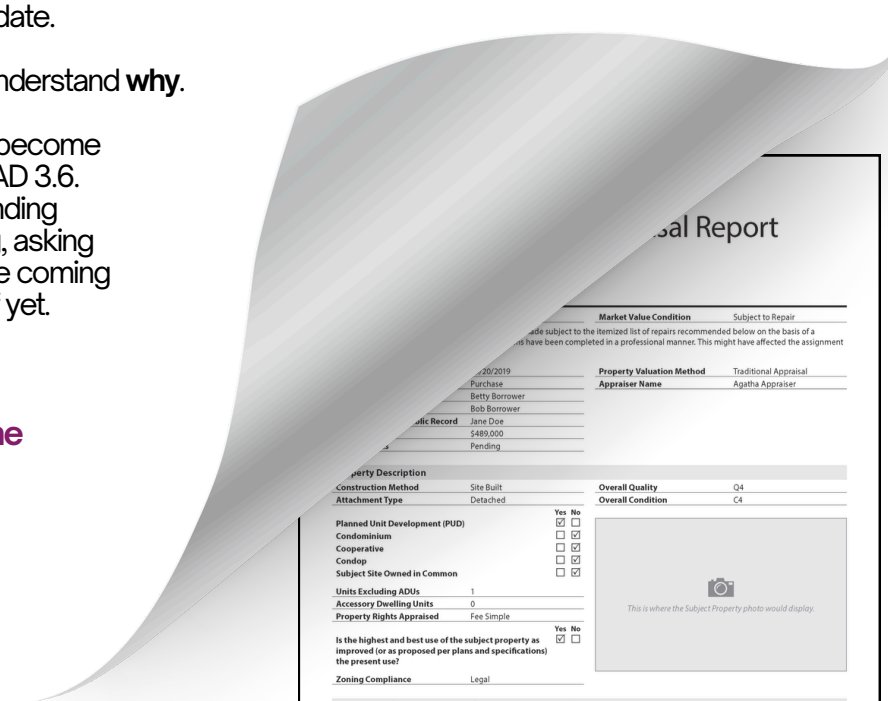
That human element is something we believe will become even more important during the early stages of UAD 3.6. We have invested a great deal of time in understanding this new process, talking about it internally, training, asking questions and preparing for situations we know are coming —as well as some we probably haven't thought of yet.

We feel very good about where our team stands.

The Technology Won't Be Perfect on Day One

This is probably the area where we want to be the most candid with our clients.

There are a lot of moving parts.



Appraisers have their software. AMCs have ordering platforms. Lenders have their own systems. There are QC technologies, integrations, data validations and delivery systems connecting all of them.

Every one of those systems is being asked to accommodate a fundamentally different appraisal dataset and workflow.

There are going to be kinks.

We don't say that as a criticism of the technology companies involved. Quite the opposite. An extraordinary amount of work is happening throughout the industry to make this transition successful.

But expecting every integration and every workflow to operate perfectly from the beginning simply isn't realistic.

What matters is how we respond when something doesn't work.

That is where we believe AXIS is particularly well positioned.

We will communicate. We will troubleshoot. We will work directly with our appraisers, technology partners and clients. We will adjust our QC processes as we see actual 3.6 reports moving through production.

And we will learn quickly.

If something isn't working, our clients shouldn't have to figure it out alone. We want them to pick up the phone, call us and know there is an experienced team on the other end that understands both the appraisal side and the technology side of the issue.

That's an important part of readiness to us.

We Believe 3.6 Will Make the Industry Better

For all the discussion about implementation, software and new requirements, we don't want to lose sight of **why we're doing this.**

We believe UAD 3.6 is ultimately going to make the appraisal process better.

One of the challenges our industry has dealt with for years is inconsistency. Two appraisers can look at similar property characteristics and describe them differently. Information can be buried in commentary. Important details can be presented differently depending on the appraiser, software or form being used.

UAD 3.6 moves us toward something much more uniform.

- More consistent terminology.
- More structured property information.
- More transparency.
- More usable data.

And ultimately, we believe, a better understanding of the collateral being evaluated.

The appraisal is evolving from a largely form-driven report into something much more powerful: **a structured valuation dataset supported by the analysis and judgment of a professional appraiser.**

That doesn't diminish the role of the appraiser.

We believe it strengthens it.

Better data should allow good appraisers to provide better analysis. Better structure should allow QC professionals to identify meaningful issues more effectively. And better information should help our lender clients make more informed collateral-risk decisions.

Ready Doesn't Mean Perfect

We think this may be the most important message we can give our clients.

When we say AXIS is ready for UAD 3.6, we are not suggesting that every piece of technology in the appraisal ecosystem will work perfectly from day one.

It won't.

There will be questions. There will be unexpected situations. And there will be things we learn once volume begins moving through the new process.

Being ready means having the people, knowledge and experience to deal with those situations when they happen.

That's where our confidence comes from.

We have watched appraisal requirements, regulations, technology and lender expectations continue to evolve. Through all of those changes, one thing has remained constant:

Good appraisal management still comes down to good people making good decisions.

- Technology can make us faster.
- Data can make us smarter.
- Standardization can make us more consistent.

But experienced people are what bring all of those things together.

That's what we have at AXIS.

And as we move into UAD 3.6, we're genuinely excited about where this takes our industry and confident in our ability to help our clients get there.

We're ready. And we'll be there with you through the transition.

AXIS Appraisal Management Solutions

AXIS provides resources to prepare for UAD 3.6:

UAD 3.6 AXIS Resources