

Understanding Desktop (Bifurcated or Hybrid) Appraisals

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Abstract

This article discusses the parameters of valuation services that do not require a personal physical inspection of the subject property by the state-credentialed real estate appraiser selected for the valuation assignment. The market uses a number of terms for such valuation services with a narrow scope of work; depending on the client, the term used may be *bifurcated*, *hybrid*, or *desktop* valuation. Although the process of each of these alternative services may be slightly different, essentially in such services the property data collection and the valuation analysis, if any, are separate. The purpose of this article is to equip appraisers with the knowledge necessary to meet the demand for such valuation services in the current market. The discussion will cover important considerations, including the appropriate scope of work, state laws, regulations, standards, and governmental agency guidelines that apply to these types of valuations.

Introduction

Appraisers as well as lenders and regulators find it challenging to stay abreast of the rapidly evolving market needs, legislation changes, and guidelines that affect appraisal practice. Competently developed desktop valuation services by state-credentialed real estate appraisers appropriately measure risks for these entities. This article will address opportunities for residential appraisers and commercial appraisers serving lenders to offer a new type of appraisal services in addition to the traditional appraisal.¹

Lender Client Perspective

Let's look at the alternative valuation services from the lender client perspective. We'll start by looking at the commercial side of this equation—the loans that fit this product and the role of the commercial appraiser. Appraisers can view this as an opportunity to gain a new book of business, if they are equipped to provide the valuation service determined appropriate by the lender, for the lender's risk. Starting with commercial lenders,

the type of commercial loans that will fit this kind of valuation service are those already on the books that may carry lower risk, and therefore are potentially eligible for something less than a traditional appraisal. It is important to recognize that commercial lenders associate the risk with the appropriate valuation service for each transaction. Lenders have increasingly reliable data and algorithms to analyze the risk and determine the valuation service appropriate for a particular property, investor, and loan circumstance.

Conversely, on the residential lending side, refinance means a new loan and not a renewal of an existing mortgage. Residential lenders compete in the market for mortgage loans. To be competitive, the lender client requires a faster closing with lower closing costs than their competition. Borrowers can easily compare rates, closing costs, and closing times in today's tech-savvy world. If the residential appraiser is not prepared to offer services that meet the lender client's needs in the competitive lending market, using narrow scopes of work, then their clients have no choice but to seek out alternatives.

1. For purposes of this article, the term *traditional appraisal* refers to an appraisal where the credentialed appraiser does a complete interior and exterior view, develops the appraisal, and communicates the opinions and conclusions in an appraisal report.

Residential Markets

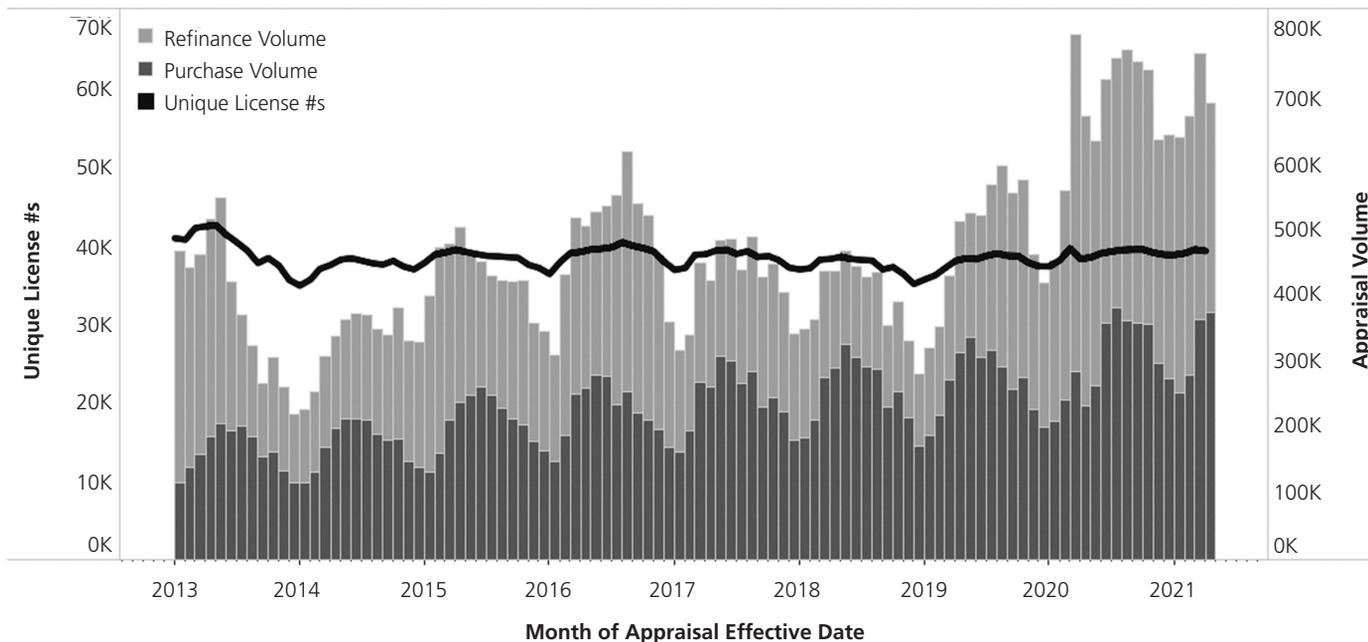
Residential appraisers who are well informed of the applicable guidelines, standards, and governmental agency rules and skilled in developing scopes of work can offer their clients narrow-scope valuation services. Some appraisers have already extended their business to include appraisal services with other narrow scopes of work. These narrow scopes of work assignments are a rapidly growing trend and book of business for residential as well as commercial appraisers. This article will address ways to meet the challenges of such assignments and how to mitigate the liabilities that come with all appraisal work.

Governmental agencies have directed attention to *appraisal modernization*, with a goal of finding solutions that could bring efficiency and technology to the current appraisal process in situations where the risk is lower or equivalent to the current process and results in greater effi-

ciency and reduced turnaround times.² In fact, some lender clients are already using non-appraisers for property inspections and use companies that provide services with narrow scopes of work.

The graph in Exhibit 1 illustrates the challenges in the current residential real estate market. Lenders face increased volume, competition, and time demands without a concomitant increase of licensed appraisers. As the horizontal line in the graph clearly shows, the number of unique appraiser licenses in the Uniform Collateral Data Portal (UCDP) has not increased for many years, but the appraisal volume has increased. This imposes a time challenge on the lenders who strive to be competitive in an environment where buyers can easily shop loan interest rates, points, and time to closing. It is hoped that the increased use of narrow-scope assignments will help reduce the wait times for lenders and their customers.

Exhibit 1 UCDP Volume and Unique Appraiser Licenses



Unique appraiser license numbers in UCDP, per month. Appraisal and license volume for all form types (not limited to 1004/70).

Source: Danny Wiley, "Spotlight on Appraiser Capacity during the Pandemic," Freddie Mac (June 16, 2021), <https://bit.ly/3nsLrGv>.

2. Freddie Mac describes *appraisal modernization* as its "independent research, assessment and planning for appraisal process modernization. FHFA [Federal Housing Finance Agency] has also provided a directive for the joint GSE efforts to update the UAD and appraisal reporting forms." See Freddie Mac Single-Family, "Appraisal Modernization FAQ," <https://bit.ly/3yxTel1>.

The federal agencies' guidelines and standards discussed in this article address the complexities in lending as they impact appraisers working for and with lenders. Understanding these complexities and applying the appropriate appraisal requirements are key to providing a credible valuation service. This article specifically focuses on the valuation report types that are defined by Fannie Mae and Freddie Mac as follows:

- **Hybrid appraisal.** “An appraisal assignment consisting of a desktop appraisal for which the scope of work includes reviewing a recent interior/exterior property data report.”
- **Desktop appraisal.** “An appraisal assignment for which the scope of work does not include field work by the appraiser and does not include reviewing a recent interior/exterior property data report.”
- **Traditional appraisal:** “An appraisal assignment for which the scope of work includes an interior and exterior personal, onsite inspection of the subject property completed by the appraiser who signs the certification, and the effective date of the appraisal is the date of the appraiser’s inspection.”³

As will be discussed later, the actual terms used for narrow-scope valuation services may vary by client and governmental or regulatory entity.

Governmental Agencies

Federally regulated lending institutions are subject to regulations regarding real estate appraisals and evaluations. A “federally related transaction” (FRT) is any real estate–related financial

transaction that “(a) a federal financial institutions regulatory agency⁴ (Agency) or the Resolution Trust Corporation engages in, contracts for, or regulates; and (b) requires the services of an appraiser.”⁵ Fannie Mae and Freddie Mac are not regulated by the entities referenced in the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA),⁶ and therefore are not subject to FIRREA. According to FIRREA, a transaction does not need an additional appraisal that meets FIRREA, if the lender obtains one that meets Fannie Mae and Freddie Mac’s appraisal guidelines. Under FIRREA, this is mandatory, even if the institution does not plan to sell loans to either type of entity.

Appraisal Thresholds

If the loan amount (i.e., transaction value) is under the federal/state agencies loan transaction threshold or underwriting guidelines, something less than a traditional appraisal may be a viable option. An appraisal is *not* required on a residential real estate transaction that falls within the following transaction amount categories.⁷

- A transaction value of \$400,000 or less; at a minimum, an institution must obtain an evaluation of the real property collateral if no other exemption applies.⁸
- The \$400,000 cap is for 1–4-unit residential properties only.
- Other property types have a threshold of \$500,000.

Keep in mind, however, lenders and the secondary mortgage market have guidelines that may exceed the thresholds identified above.⁹

3. Fannie Mae and Freddie Mac, *Uniform Residential Appraisal Report: Hybrid and Desktop Appraisal Forms*, updated February 2022 (first published July 2020), <https://bit.ly/3cbJICO>.

4. A lender’s Federal Financial Institutions Regulatory Agency (“Agency” or “Agencies”) consists of the regulatory entity that oversees the financial institution and institution adherence to banking laws and regulations that are applicable. Such Agencies include the Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Administration (NCUA).

5. Federal banking law (12 U.S.C.A § 3350).

6. The federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) was enacted in response to the savings and loan crisis of the 1980s.

7. *Transaction value* for loans or extensions of credit is not the property value, but the amount of the loan or extension of credit. 12 CFR §722.3.

8. 12 CFR Part 34, “Real Estate Appraisals Final Rule” (October 8, 2019, effective January 1, 2020). See Federal Register available at <https://bit.ly/3PerH5N> and <https://bit.ly/3cmaUz3>.

9. For additional discussion, see Appraisal Institute Guide Note 13, “Performing Evaluations of Real Property Collateral for Lenders” (effective October 31, 2012, minor revisions 2017, 2018, 2020), <https://bit.ly/3lywXi5>.

Tools for Adaptation and Evolution

The sophisticated data and tools available in the market present an opportunity for appraisers to review and add to the types of services they offer. This will involve adapting to software and technical tools that enable appraisers to more efficiently produce a valuation service that is credible for the intended use and user.

Today, partly because of the secondary mortgage market (e.g., Fannie Mae, Freddie Mac), market participants have access to robust databases of residential property sales that supply data and estimates of value for collateral and consequently for loans. Lenders can assess the mortgage risk of loans using such databases along with sophisticated algorithms. Further, this risk analysis tool has proven to accurately access the valuation service needed to meet the commensurate risk appetite and/or regulatory requirements of a specific lender.

It is important to understand how lender clients assess risk and what laws, regulations, standards, and guidelines control a lender's loan capacity, which in turn drives demand for certain valuation services. Appraisers who add narrow-scope valuation services to their current services are adapting to market demand. There are laws, regulations, standards, and guidelines that lenders/clients and appraisers are obligated to adhere to in such assignments, so knowledge is key to successful outcomes.

As previously noted, if the loan amount is below the federal and/or state regulatory Agencies' transaction (loan) threshold or exempt from an appraisal by a state-certified appraiser, something other than a traditional appraisal is likely a viable option for the lender. One current example of this is the waiver allowed for government-sponsored enterprise (GSE)¹⁰ refinance transactions. Also, according to FIRREA, a transaction does not need an additional FIRREA

appraisal if the lender obtains one that meets Fannie Mae and Freddie Mac's appraisal guidelines, even if the institution does not plan to sell loans to either entity.¹¹

Narrow-Scope Assignments: A Two-Step Process

Lenders use a variety of terms to describe appraisal assignments with a narrow scope of work, including bifurcated, hybrid, or desktop appraisal. Simply put, these terms are referencing a valuation service or assignment that involves a two-step process: the data collection and the analysis. These terms encompass an appraisal service in which two individuals, who may or may not know each other, complete the appraisal process in two steps independently, or in which the same appraiser completes the two steps—the data collection and the analysis—as two separate assignments.

Step 1, Data Collection. The first step in a narrow-scope valuation service commonly includes a non-appraiser or credentialed appraiser making the property inspection; this person is identified as a "property data collector" (PDC). At the time of the data collection, it is not yet known whether an appraisal will be required.¹² Step 1 assists the lender, or appraisal management company (AMC) in conjunction with the lender client, in deciding if Step 2 is necessary ordering the correct type of valuation service. The reasoning is that the PDC report is expected to provide valuable and detailed information about the subject property, such as condition, quality, location, as well as current photographs that will allow the lender (with an AMC) to make an informed risk management decision as to the most appropriate valuation product combined with the borrower's loan data. The lender will assess the borrower's creditworthiness, risk assessment-based data in the Uniform Collateral Data Portal (UCDP),¹³ and the PDC report to determine if the risk is

10. A *government-sponsored enterprise* is "an agency, such as Fannie Mae, Ginnie Mae, or Freddie Mac, formed by the federal government to provide a secondary market for residential real estate loans." Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), s.v. "government-sponsored enterprise."

11. Recall that Fannie Mae and Freddie Mac are not lenders subject to FIRREA.

12. Fannie Mae, "Desktop Appraisals, Assumptions, and Hypothetical Conditions," in *Appraiser Update* (September 2019), <https://bit.ly/3uUXGj0>.

13. The Uniform Collateral Data Portal (UCDP) is the appraisal portal shared by Fannie Mae and Freddie Mac. Appraisals are uploaded to this database, and property data is stored in this portal for the GSE's use in assessing risk and monitoring appraiser consistency. See Fannie Mae, "Applications and Technology: Uniform Collateral Data Portal," <https://bit.ly/3bzqTct>.

such that a Step 2 appraisal by a credentialed appraiser is needed. Borrower and loan information are uploaded to the UCDP by the lender, and the UCDP response may give the option of an appraisal waiver, or a desktop appraisal, or require a traditional appraisal based on the data uploaded.

Currently, only a small number of credentialed appraisers are accepting Step 1 work; yet demand is real. Recognize some states do not allow non-appraisers to inspect a property for valuation purposes. Here it is important to be educated about local as well as federal regulations in order to mitigate professional risk. It is the appraiser's responsibility to know their state's laws and/or regulations for these types of valuation services. Be prepared—the AMC or lender may ask for a service that is *not* allowed under local state laws and/or regulations for narrow-scope services. The appraiser who is educated can help direct a client away from noncompliance, ensure the correct scope of work is applied to the valuation service, and build a working relationship with the AMC or lender.

Technology tools are available that can provide data beyond what could be captured in the typical residential property inspection. Sophisticated technology can scan interior and exteriors of structures, measure spaces, draw floor plans, create 3D models, and record appliance and mechanical labels to identify age and characteristics.¹⁴ Once a property has been scanned, the file is uploaded to a portal and within a short period, it produces a detailed plan that compares or rivals most appraiser sketches, along with detailed photographs and property description. The photographs are geocoded to ensure they are from the given location. This technology supplies robust data that is credible for use by other valuation professionals and the lender client base.

Step 2, Desktop Appraisal. A Step 2 may occur after the lender receives the property inspection data and assesses the mortgage risk. Depending on the results of that assessment, a decision may

be made to move to the next step, a desktop appraisal by a credentialed appraiser. If the decision is made to move to Step 2, the desktop appraisal becomes a second assignment if the same appraiser does Step 1. Step 1 and Step 2 are two different assignments.

If the appraiser performs both parts of this two-step process, the appraiser must acknowledge the previous service(s) provided in the desktop appraisal report, and any subsequent appraisal assignments and reports.

A Reminder about Terminology. As previously mentioned, the terms used to identify these narrow scope of work assignments vary by the client and client-type. For example, Fannie Mae's publications use the term "desktop appraisal" and reference the portion completed by the PDC as akin to other resources appraisers use, such as flood maps, property assessment records, and information provided by others. Exterior appraisals or desktop appraisals increased during the COVID-19 pandemic as a way to lessen exposure to the virus. This trend is not expected to change in the post-pandemic era. Even before the pandemic, lenders were seeking out individuals to provide valuation services with narrow scopes of work based on the mortgage risk assessment. Fannie Mae announced desktop appraisals as an option for some loan transactions beginning in March 2022.¹⁵ Similarly, Freddie Mac accepts desktop appraisals for some loan transactions beginning in March 2022.¹⁶

In general, the term "bifurcated appraisal" usually means the person collecting the property data (i.e., the PDC measuring the structure, photographing the subject, completing the interior and exterior inspection) is *not* the same person as the appraiser who completes the additional research, verification, analysis, and value opinion. The property inspection or services of the PDC is a separate engagement.

Because terms and definitions for narrow-scope valuation services can be inconsistent, the appraiser should clarify with the client how it

14. For example, INvision Your Home is a trademarked technology used by Class Valuation, an appraisal management company, <https://bit.ly/31OdBFJ>. This is not the only technology available, but it provides an example of how technology can supply the tools needed to enhance data collection.

15. Fannie Mae, "About Desktop Appraisals," Single-Family News Center (January 19, 2022), <https://bit.ly/3PAz7Qx>.

16. National Association of Mortgage Processors, "Freddie Mac Announces Permanent Acceptance of Desktop Appraisals" (February 8, 2022), <https://bit.ly/3AVat96>.

defines and uses such terms. For example, suppose a lender client orders an “exterior only” appraisal on a residential property, and the client requests that the appraiser research and analyze the multiple listing service (MLS) and sales data for a period at least one year prior to the effective date of value. The assignment also

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includes a telephone interview of the owner and listing agent to obtain a description of the subject’s interior condition, including specific questions about any recent updating or remodeling and whether building permits were obtained for that work. This is an example of an appraisal assignment that requires an explicit scope of work, including identifying the sources of information, results of the research and analysis of the data, and limitations and details in the report regarding how the property’s condition and quality were determined. In some cases, an extraordinary assumption may be necessary, depending on the data available to the appraiser to affirm quality and condition.

Appraisers draw opinions on comparable condition and quality based on secondary data; narrow-scope assignments require similar appraiser analysis, using the available data to assess quality and condition of the subject prop-

erty. Exterior-only appraisal assignments have been around for decades. Today, these assignments may go by various client terms like “hybrid,” “drive-by,” or “exterior” appraisal.¹⁷

In essence, the difference between a desktop appraisal and exterior appraisal is the desktop appraisal may be completed using two appraisal assignments and may include two individuals, while the exterior appraisal is one assignment completed by the same person viewing the property from the street or an exterior walkaround. In the above exterior-only appraisal example, the client paid a fee similar to a traditional appraisal, because extensive research was required to develop credible opinions and conclusions. Recognize that appraisal fees for these services vary based on the scope of work expected.

In contrast to the exterior-only appraisal, when a desktop appraisal is ordered, the client commonly requests the appraiser use a specific Fannie Mae report form that is similar to the first page of the Uniform Residential Appraisal Report (Fannie Mae 1004/Freddie Mac 70). The appraiser uses photographs completed by a PDC, who may or may not be an appraiser depending on the circumstance. This desktop appraisal assignment is an example of the two-step process—the appraiser uses the PDC data and photographs for the property description to develop a credible opinion of value given the intended use. Here, the desktop appraisal assignment’s scope of work called for a process that included researching and verifying the PDC data from sources such as the MLS and public record (if applicable), selecting comparable sales based on the verified PDC information, and developing an opinion of value. Note, the scope of work must detail what is to be confirmed/verified, along with the sources to be used and the limitations to the confirmation/verification,¹⁸ and the property condition and quality description process. While the client in the example did not require confirmation/verifica-

17. During interviews with the GSEs for this article, it was stated that the term “drive-by” is not considered a proper term and is no longer used; an alternative and acceptable phrase is “exterior only” appraisal.

18. In valuation practice, *verification* is “the process of validating or establishing the truth about information from another source, which is critical to credible assignment results. A valuer or reviewer may confirm information directly with a party knowledgeable about the property or the transaction involving the property or with another credible source to determine the reliability of that information for use in the assignment.” *The Dictionary of Real Estate Appraisal*, 7th ed., s.v. “verification.” In common parlance, “to verify” something means being able to provide convincing evidence that it is true; “to confirm” something usually means providing some additional evidence that something is true.

tion of the PDC data information, this step is necessary to comply with the Statement of Assumptions and Limiting Conditions section in which the appraiser makes assumptions about the data sources that were necessary to develop a credible and reliable opinion of value.¹⁹

Form 1004 lists assumptions that are allowed for desktop assignments. Fannie Mae has indicated that only two additional assumptions are allowed for desktop appraisals:

1. If the date of the property data collection is not the same as the effective date of the appraisal, the appraiser may assume the property characteristics have not changed in the interim.
2. The appraiser may assume there are no material omissions in the property data.

Fannie Mae states that it only accepts these assumptions when there is no evidence contrary to known facts (i.e., no hypothetical conditions are allowed).²⁰ This is done through confirmation or verification of the PDC data provided.

This discussion is a reminder to appraisers to review, in detail, all report forms to ensure the work performed and reported meets the needs of the client and is compliant with laws and regulations, standards, and governmental agency guidelines for the appraiser and the valuation assignment.

Residential appraisers providing desktop appraisals have reported anecdotally that they can complete such appraisals in less time than it takes to complete one traditional appraisal. This suggests that desktop appraisals help meet lenders' and GSEs' goals for greater efficiency and reduced turnaround times.

In the previous desktop appraisal example, the Step 2 PDC data was easily researched and confirmed/verified through recent MLS photographs and public record. What happens, however, when the PDC or property data provided by the client or obtained from sources other than an

inspection of the property by the appraiser are believed to be unreliable and cannot be researched and confirmed or verified? If it cannot be assumed that the data is reasonable or believable, then the data must not be relied upon. In other words, if the property data provided by the PDC, the client, or other entities is not believable, the appraiser should discuss the concerns with the client and request a modification of the scope of work to a level that will produce credible assignment results, which the client can rely on for the intended use. Adjusting the scope of work should also include appropriately adjusting the appraisal fee for the time involved in producing a credible assignment result.

Appraisers completing desktop appraisal assignments and lenders ordering them report that the name and contact information for the PDC is provided in case further clarification is needed. If the contact information for a PDC is not provided, the appraiser should contact the client if issues arise regarding the PDC or other

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data. In such cases, the appraiser explains to the client why the data is not considered believable and therefore not reliable. Options to resolve this issue may include requesting access information for the PDC or modifying the scope of work to a level in which the property condition and quality description are reasonable, and the PDC data believable and reliable.

19. Fannie Mae Form 1004 Desktop, Statement of Assumptions and Limiting Conditions. Freddie Mac's new form is 70D. For a comparison of desktop and hybrid report content, see Fannie Mae, "Hybrid and Desktop Appraisal Forms," <https://bit.ly/3PcqoEr>. For additional detailed discussion, see *Fannie Mae Single Family Selling Guide*, B4-1.2-02 (April 6, 2022), <https://bit.ly/3ckvQpT>. State-certified real estate appraisers are responsible for accepting or rejecting data collected by a third party. Appraisers are not required to accept all data available from a third-party PDC.

20. Fannie Mae, "Desktop Appraisals, Assumptions, and Hypothetical Conditions," *Appraiser Update* (September 2019), 3, <https://bit.ly/3uUXGj0>.

While the PDC data may be reasonably complete, appraisers may face challenges in identifying external factors affecting the site and improvement obsolescence, particularly in markets that are less familiar. However, technology offers appraisers many more tools to gather information about external factors. Helpful tools include aerial imagery programs (e.g., Bing Maps, Google Maps, Google Earth), online photographs, public records, building permits, etc. Many real estate websites offer virtual tours of properties that can provide valuable information for assessing condition and quality.

Narrow-Scope Commercial Assignments

Desktop, hybrid, and bifurcated appraisal assignments are not limited to residential properties only. A review of various commercial appraiser websites clearly shows similar assignments have been in the commercial world for many years. Commercial appraisers, like residential appraisers, have been willing to expand their business into areas with narrow scopes of work. In commercial lending, the risk analysis is typically based on the borrower's credit strength, cash flows, and liquid assets. For narrow-scope valuation services, the commercial property inspection often has been completed by a bank employee or staff appraiser. This data is then sent to a state-credentialed fee appraiser to develop an opinion of value on a lower-risk loan. In cases where the borrower's credit assessment suggests a higher-risk loan or a loan in pre-foreclosure, a credentialed appraiser is required to make the inspection and develop a credible value opinion.²¹

Until the users of valuation services agree on universal definitions for desktop, bifurcated, and hybrid appraisal assignments, it is important for appraisers to ask their clients to explain what the client means when it uses such terms. This ensures a clear understanding of the requirements for such an assignment and the appropriate scope

of work. No matter what the client may call these assignments, when an individual is acting as an appraiser, the assignment is an appraisal service with a narrow scope of work. Appraisers must be proficient in developing such a scope of work and

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avoid relying on boilerplate²² scopes of work that are prevalent in appraisal software products because they can be generic, inadequate, or contradictory to the actual scope of work necessary for credible opinions and conclusions for narrow scope of work assignments.

Conclusion

Professional appraisers are seeking additional ways to meet the changing needs of their lender clients in the modern real estate market. Innovation in the types of services offered can benefit not only appraisers' lender clients, but also the lenders' customers—the potential borrowers. Narrow scope of work valuation services are one approach that appraisers can use to work with clients in the years ahead.

This article offers valuable insights to familiarize appraisers with the various narrow-scope options to expand their valuation services. The topics covered here have included important

21. 15 US Code §1639h, "Property Appraisal Requirements," available at <https://bit.ly/3OenKMP>.

22. Under USPAP Standard 2, an appraiser must not use generic, boilerplate language that fails to reflect the observations and analysis of the subject property including its marketability. See Appraisal Standards Board, *Uniform Standards of Professional Appraisal Practice*, 2020–2021, Standards Rule 2-2(a)(viii) [summarize scope of work] and Standards Rule 2-2(b)(x) [state scope of work] and Comments; see also Appraisal Institute, *Review Theory and Procedures: A Systematic Approach to Review in Real Property Valuation* (Chicago: Appraisal Institute, 2015), 82–85, Table 7.2 ("Boilerplate," "[d]iscussion that is clearly boilerplate," and "[b]oilerplate statements" are common issues of concern in appraisal reports that reviewers should watch for).

considerations in the scope of work and the necessity for a good understanding of state laws, regulations, standards, and governmental agency guidelines that apply to such services. The benefits and risks of offering desktop, hybrid, or bifurcated valuation services need to be considered before an appraiser can make an informed business decision about potentially adding this type of valuation service to their book of business.

Staying relevant in the lending world will require embracing technology and adapting to innovative tools and software. The Appraisal Institute seminar *Desktop Appraisals (Bifurcated, Hybrid) and Evaluations* delves deeper into the practical pros and cons of offering narrow scope of work assignments and provides information essential for knowledgeable engagement in narrow-scope valuation services.

About the Authors

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Additional Resources

Suggested by the Y. T. and Louise Lee Lum Library and the Authors

Appraisal Foundation

- Uniform Standards of Professional Appraisal Practice (USPAP)
- USPAP Advisory Opinions
- USPAP Frequently Asked Questions

Appraisal Institute

- **Education**

Desktop Appraisals (Bifurcated, Hybrid) and Evaluations

- **Lum Library, Knowledge Base [Login required]**

Appraisal practice

- **Professional Practice**

<https://www.appraisalinstitute.org/professional-practice/ethics-and-standards/>

Fannie Mae

- "About Desktop Appraisals"
<https://singlefamily.fanniemae.com/media/30361/display>
- Selling Guide, B4-1.2-02, Desktop Appraisals, p. 566
<https://singlefamily.fanniemae.com/media/31751/display>
- Uniform Residential Appraisal Report: Hybrid and Desktop Appraisal Forms—Overview
<https://singlefamily.fanniemae.com/media/23566/display>
- Uniform Residential Appraisal Report: Hybrid and Desktop Appraisal Forms—Quick Reference
<https://singlefamily.fanniemae.com/media/23561/display>

Interagency Appraisal and Evaluation Guidelines

<https://www.fdic.gov/regulations/laws/rules/5000-4800.html>