Table of Contents

Overview ............................................................................................................................ vii
Seminar Schedule ........................................................................................................... xi

Section 1

Introduction

FHA Reference Materials for This Seminar ............................................................... 1
Primary Audience for This Seminar .......................................................................... 1
Not Yet Approved for FHA Appraisal Assignments? ................................................ 2

Part 1. HUD Handbook 4000.1 — A New Era for FHA Appraisers

Preview Part 1 ................................................................................................................ 3
HUD Handbook 4000.1 ............................................................................................... 5
Appraisal Report and Data Delivery Guide ............................................................... 9
The FHA Resource Center .......................................................................................... 10
Key Handbook 4000.1 Terms that Pertain to Appraisers and Appraisals ............... 11
The New Mantra of the FHA Roster Appraiser ....................................................... 15
Post-Approval Requirements for an Appraiser ......................................................... 19
Intended Use and Intended Users of an FHA Appraisal ........................................... 23
Eligible Property Types ............................................................................................... 24
Conclusion to Part 1 ................................................................................................... 26
Review Part 1 ............................................................................................................... 27

Part 2. The FHA Appraiser's Mindset — Guided by Handbook 4000.1

Preview Part 2 ............................................................................................................... 29
FHA Basics in the Era of Handbook 4000.1 ............................................................... 33
Property Acceptability Criteria .................................................................................... 39
Part 5. Valuation and Reporting Protocols

Preview Part 5........................................................................................................... 137
Introduction ............................................................................................................. 139
Valuation Development ......................................................................................... 139
Reconsideration of Value ....................................................................................... 156
Transferring Existing Appraisals ............................................................................ 157
Conclusion to Part 5............................................................................................... 158
Review Part 5.......................................................................................................... 159

Part 6. Reporting Requirements for the URAR

Preview Part 6........................................................................................................... 161
Overview.................................................................................................................. 163
Required Forms....................................................................................................... 164
Protocols for the URAR ........................................................................................ 164
Review Part 6.......................................................................................................... 203

Part 7. Property Eligibility and Appraiser Protocols — Manufactured Homes,
Condominiums, and Small Residential Income Properties

Preview Part 7........................................................................................................... 205
Appraiser Competency Requirement for These Three Property Types.............. 209
Manufactured Homes ............................................................................................ 209
Reporting Conventions for the Manufactured Home Appraisal Report
(Fannie Mae Form 1004C)...................................................................................... 215
Condominiums....................................................................................................... 222
Reporting Conventions for the Individual Condominium Unit Appraisal Report
(Fannie Mae Form 1073)....................................................................................... 223
Reporting Conventions for the Small Residential Income Property Appraisal
Report (Fannie Mae Form 1025)........................................................................... 229
Review Part 7.......................................................................................................... 239

Appendix

Appendix A

How to Become an FHA Roster Appraiser ............................................................ 241
Appendix B

HUD Form 92541 (Builder's Certification) .................................................. 247
Glossary ........................................................................................................... 251
List of Acronyms .............................................................................................. 261

Solutions
Overview

Seminar Description

After decades of relying upon multiple sources of guidance to properly develop and report an FHA appraisal assignment, i.e., the HUD 4150.2 Handbook, the 4150.1 REV-1 Handbook, dozens of Mortgagee Letters, and Frequently Asked Questions — Valuation Protocol, HUD-FHA implemented its authoritative source, FHA Single Family Housing Policy Handbook (Handbook 4000.1), in September 2015. With the implementation of Handbook 4000.1, some 450 Handbooks, Mortgagee Letters, and other policy documents were superseded and consolidated into this one Handbook, which FHA has described as “the consistent source for their Single Family Housing Policy.” Tracking changes in FHA protocol no longer involves scrutinizing multiple publications with sometimes conflicting requirements.

In the Appraisal Institute’s 7-hour seminar FHA Appraising for Valuation Professionals: FHA Single Family Housing Appraisal Requirements, appraisers will develop an understanding of Handbook 4000.1 and the accompanying FHA Single Family Housing Appraisal Report and Data Delivery Guide. These two documents, which underpin the seminar, provide all of FHA’s guidance and requirements describing an FHA Roster Appraiser’s required observations, analysis, and reporting in completing an appraisal for a mortgage involving FHA insurance. While many of the requirements are specific to appraisals for FHA-insured mortgages, the concepts and guidance are applicable to most if not all residential appraisal assignments.

Learning Objectives

At the conclusion of the seminar, participants should be able to

- Access Handbook 4000.1 and related documents, including the Appraisal Report and Data Delivery Guide.
- Understand general property eligibility and acceptability criteria for a Property used as collateral for an FHA-insured mortgage.
- Identify the type and extent of observation required in the scope of work for an appraisal assignment that is intended to be used in an FHA mortgage insurance decision.
- Identify the type and extent of analysis required in the scope of work for an appraisal assignment that is intended to be used in an FHA mortgage insurance decision.
- Understand the reporting requirements for an appraisal that is to be used by a lender to make a decision on a property’s eligibility for an FHA-insured mortgage.
Learning Enhancements

*Preview.* To give you a taste of what is to come, each Part begins with a Preview page, which contains a brief overview of the content, learning objectives to consider as you move through the material, and learning tips that will assist you in understanding the information presented.

*Learning Objectives.* Each learning objective covers essential information you need to fully understand the concepts in the seminar. Look them over before the Part begins so that you have a frame of reference as you move through the material. At the end of each Part, reread the objectives. Are you able to do what is stated? If not, this is the time to ask your instructor for help or review the concepts that you do not understand.

*FHA Appraisal in the Real World.* These discussion problems will provide you with additional ideas to consider as you absorb what you are learning.

*Review.* Each Part concludes with a review, which includes the learning objectives.

Classroom Guidelines

To make the seminar a positive experience, please follow these guidelines:

- 100% attendance is required. No exceptions.
- Limit use of laptops to classroom projects.
- Communicate with business associates during break time instead of class time.
- Put away reading materials such as newspapers and books that are not used in class.
- Silence cell phones and other communication devices.
- Use recording devices only if prior permission has been granted.
- Refrain from ongoing conversations with those seated near you and other distracting behavior.

General Information

- **Breaks.** There will be two 10-minute breaks during the morning session and two 10-minute breaks during the afternoon session unless otherwise indicated. The lunch break is one hour. A meal is not provided unless specified in the sponsor’s advertising or in your seminar confirmation materials.
- **Attendance sheets** will be distributed during class to verify your attendance during the morning and afternoon sessions. Attendance for the entire seminar is required.

- **Certificates of completion** can be downloaded upon completion of the seminar.

**Optional Equipment**


**USPAP References in This Seminar**