

## You have options!

We've expanded our appraisal options to include **desktop appraisals** for certain purchase transactions.

To take advantage of a desktop appraisal you need to use Loan Product Advisor® (LPA<sup>SM</sup>)

### What is a desktop appraisal?

It's an alternative to a traditional appraisal where an appraiser doesn't need to perform an in-person inspection of the property, but instead relies on data sources to identify property characteristics.



### Benefits

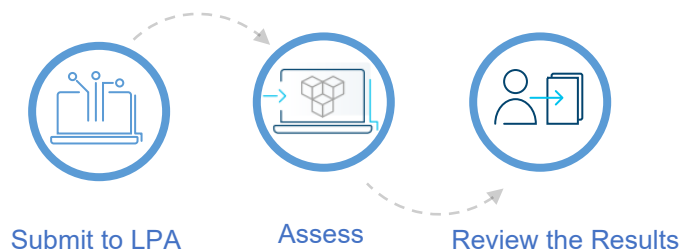
- Potential to reduce borrower costs and appraisal turn-times, and
- Address appraiser capacity concerns.

Available for new submissions and resubmissions to Loan Product Advisor on and after March 6, 2022

### How it Works

#### It's easy!

Simply **submit** the loan to LPA **before** you get an appraisal. The Feedback Certificate will return specific **messages** if the loan **is eligible** for the **desktop appraisal** option.



#### LPA Feedback Message:

FPA0146

A Uniform Residential Appraisal Report desktop appraisal (Form 70D) is the minimum assessment required.

**Note:** Vertical revision bars " | " are used in the margin of this reference to highlight new requirements and significant changes.



The following chart provides a summary of requirements that must be met for the loan to be eligible for the desktop appraisal option. For complete details, refer to the *Freddie Mac Single-Family Seller/Servicer Guide* (Guide) Section [5601.7](#).

Requirements	
<b>LPA</b>	Must receive an Accept Risk Class and receive a feedback message (FPA0146) indicating the loan is eligible for delivery with a desktop appraisal
<b>Transaction Type</b>	Purchase only
<b>Property Type</b>	1-unit, including a unit in a PUD, or a 1-unit property with an accessory unit (Excluding manufactured homes, condominiums, and cooperatives, Refer to Guide Section <a href="#">5604.1.(b)(ii)</a> for mortgages that are not eligible for a desktop appraisal.)
<b>Occupancy Type</b>	Primary residence
<b>Loan-to-Value (LTV) Ratio</b>	<p>Less than or equal to 90% (based on the sales price)</p> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>Freddie Mac will accept loans originated with a desktop appraisal with an LTV ratio higher than 90% as calculated using the value obtained from the desktop appraisal if the <b>loan amount</b> does <b>not increase</b> and all other eligibility requirements continue to be met, including the requirement that the LTV ratio calculated using the sales price is less than or equal to 90%.</li> <li>LTV ratios greater than 90% that occur as a result of a <b>loan amount increase</b> require an <b>upgrade</b> to an interior and exterior inspection appraisal (Form 70).</li> </ul>
<b>Appraisal Report</b>	<ul style="list-style-type: none"> <li><b>Form:</b> New <a href="#">Form 70D</a>, <i>Uniform Appraisal Report (Desktop)</i>. Available March 6, 2022.</li> <li><b>Exhibits:</b> Requires the <b>inclusion of a floor plan</b>, in addition to, a building sketch.</li> <li>Upload the Form 70D to the Uniform Collateral Data Portal® (UCDP®).</li> </ul>
<b>Upgrade Requirements</b>	<p>The appraisal report <b>must be upgraded</b> to Form 70, and <b>include</b> an interior and exterior inspection of the subject property, when one or more of the following conditions exist:</p> <ul style="list-style-type: none"> <li>The appraiser can't obtain sufficient information about both the interior and exterior physical characteristics of the subject property from third-party data sources to develop an accurate and adequately supported appraisal.</li> <li>The appraiser can't reconcile significant discrepancies (e.g., room count, gross living area, size, condition, etc.) among available data sources.</li> <li>The subject property is undergoing renovation or rehabilitation.</li> <li>The data sources used to develop the appraisal, including the sales contract, reflect the presence of physical deficiencies or an adverse condition(s) indicating the property has a condition rating of C5 or C6 or the quality rating is Q6. See Section <a href="#">5601.12</a> for additional information related to property condition and quality of construction.</li> </ul>
<b>Collateral Representations and warranties</b>	Refer to Guide Section <a href="#">5601.9</a> , <a href="#">5602.1</a> and <a href="#">5602.2</a> .
<b>Delivery Requirements</b>	Refer to Guide Section <a href="#">6302.8</a> .

**Additional Resources:** Refer to [Freddie Mac Learning](#) and [Guide Bulletin 2022-2](#).

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