

Appraisal Independence Requirements order mortgage lenders to implement procedures that guarantee the non influence of their production team or anyone with financial interest with the selection of the Appraiser when a mortgage loan application is processed, approved and closed. Now, if you are one of the mortgage lenders that had developed your own in-house system and now maybe a group of people in your institution is handling the appraisal selection, requests, and also sorting and doing appraisal management, please have this in mind, the new Act will be effective January 3, 2011; Dodd-Frank Wall Street Reform and Consumer Protection Act.

The GSE's, HUD/FHA, VA, USDA now requires and enforce this regulation to enhance appraisal practices and appraiser independence. This Act amends the Trust In Lending Act on Section F (129E) with the Appraisal Independence Requirement. This will substitute the HVCC Regulation. The HVCC will sunset once the Appraisal Independence Requirements (AIR) enters in effect. According to the Federal Reserve Board, AIR will become effective in April 1, 2011. So in the event of an audit from any of the regulators reach your bank and they find that you are not in compliance;

Will this be your scenario?



Definitely not a pretty picture, specially if this means that afterwards you will loose your privileges to sell or insure your loans. Not being able to compromise yourself and your institution to follow and maintain in order your procedures in accordance with the Appraisal Independence Requirements enforce in TILA Section F (129E) can cost you lots of money. In fact can cost you because you will probably will be force to buy back that loan. Are you willing to be at risk? MDS/Appraisal Firewall is the key.

This is no joke, we want you to take a good look at your current operation and if you believe there is a probable gap in your operation, believe me, you are at risk. Why take the chance of loosing your privileges of doing business. The Dodd-Frank Wall Street Reform and Consumer Protection Act is a Federal Law and in force since January 1, 2011. Be prepared.



Outsource this service. Mortgage Documents Solutions, Inc. offers you the easy and free solution to this problem. Appraisal Firewall is the tool to help you manage and control your Appraisal Selection while using your own Appraisers you are using today. Learn more at www.mdspr.com . We can help.

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