



**MFM Bulletin: 028-2024**

**Date:** October 25, 2024

**Subject:** Reconsideration of Value Policy and Procedures

Starting October 28th, 2024, Member First Mortgage will be implementing our new Appraisal Reconsideration of Value (ROV) Policy and Procedures. These policies were created to meet Fannie Mae, Freddie Mac, and FHA requirements for lenders to establish a formal review and resolution procedure for an ROV request. This includes steps for the borrower to appeal an Appraiser's findings when the borrower believes the appraisal report or opinion of value is not supported, deficient due to unacceptable appraisal practices, or may reflect bias or discriminatory practices.

The new policy and procedures will be applied to Conventional Loans (including Port Loans), FHA and USDA loans. This will not apply to VA loans as the VA has its' own ROV policy.

**Our new ROV policy includes the following:**

- All borrowers will receive a Notice of Right to Request a Reconsideration of Value. This disclosure will be provided to the borrower two (2) times during the process:
  - When the initial disclosures are sent to the borrower AND,
  - On the same day as the appraisal is sent to the borrower.

**We are in the process of automating the delivery of the second disclosure. In the meantime, the second disclosure will be sent by the Processor electronically or by mail.**

- All borrowers (or other parties to the transaction such as seller, realtor(s), etc.) requests for an ROV must be made by completing an **MFM ROV Request Form**. A copy of the ROV Request Form is included in this communication.
- The MFM Underwriter must review and approve all ROV requests before they are sent to the Appraisal Management Company.
- Any ROV request sent to the Appraisal Management Company without the Underwriter's approval will be returned to the Processor.
- Once the ROV has been completed by the Appraiser, the revised appraisal will be sent directly to MFM. Our Underwriter will review the new report for accuracy and completeness. The revised appraisal WILL NOT be sent to the borrower by the Appraisal Management Company.
- Once approved by Underwriting, the Processor will provide an updated copy to the borrower(s).
- A written acknowledgment of receipt of the revised appraisal will be required.

**Additional features:**

- A maximum of 5 comparable sales may be submitted.
- Only one (1) ROV is allowed.



- We expect a 3–5-day turnaround time, however, we will disclose up to 10-days to cover any anomalies.

Please contact the MFM Underwriting Dept. ([underwriting@memberfirstmortgage.com](mailto:underwriting@memberfirstmortgage.com)) if you have any questions or concerns.

Thank you