

Announcement SEL-2010-14**October 15, 2010****Appraiser Independence Requirements**

Fannie Mae has been working with the Federal Housing Finance Agency, Freddie Mac, and key industry participants to develop Appraiser Independence Requirements to replace the Home Valuation Code of Conduct (HVCC). The Appraiser Independence Requirements maintain the spirit and intent of the HVCC and continue to provide important protections for mortgage investors, home buyers, and the housing market.

The revised requirements pose no significant changes to core principles of the HVCC and incorporate language to clarify questions that arose in the implementation of the HVCC. Fannie Mae has also removed certain provisions from the updated requirements as they already exist elsewhere in the *Selling Guide*, such as the need for lender quality control testing for appraisals.

Fannie Mae is committed to supporting strong appraiser independence requirements and will continue to review the appraiser independence requirements to address market developments and regulatory actions taken pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which may include rules relating to conflicts of interests and fee disclosure by appraisal management companies. Fannie Mae may issue additional guidance in the future with respect to these issues and other aspects of the requirements.

Lender Representation and Warranty

The lender represents and warrants that any appraisal conducted in connection with a single-family mortgage loan (other than government-insured and -guaranteed loans) delivered to Fannie Mae, with an application date on or after the date of this Announcement, conforms to the Appraiser Independence Requirements.

In addition, all conventional, single-family mortgage loans with application dates on or after May 1, 2009 must comply with the HVCC until the earlier of the release of the Interim Final Rules by the Federal Reserve as required by the Dodd-Frank Act or November 1, 2010.

Effective Date

This Announcement is effective immediately.

The [Appraiser Independence Requirements](#) are posted on eFannieMae.com. The *Selling Guide* will be updated to incorporate these policy changes at a future date.

Lenders who have questions about this Announcement should contact their Customer Account Team.

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