



New Penn Financial is pleased to announce updated procedures for Transferred Appraisals. These procedures apply to both FHA & CONVENTIONAL loan products. Smart Series and Dream Big loans must follow the conventional appraisal transfer policy described in detail below. There is no change to Transferred Appraisals on VA loans, which under VA requirements are already fully transferable between lenders.

Following are procedures for transferring FHA or CONVENTIONAL appraisals, as well as some frequently asked questions about this process.

UPDATED: Effective June 27, 2016, we will require the .xml file for all FHA appraisal transfers to successfully submit into HUD's Electronic Appraisal Delivery Portal.

For more information, contact:
npfappraisals@newpennfinancial.com

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FHA Appraisal Transfers

FHA Appraisal Transfers to New Penn – The original lender must transfer the FHA case # to New Penn through FHA Connection. The original lender should email npfappraisals@newpennfinancial.com and the New Penn Account Manager with the original appraisal, the .xml file, the appraiser's invoice as it was submitted to lender when the appraisal was completed by the FHA appraiser and the Appraiser Independence Certification. Vendor Management will upload the information to XDOC and record notes in Destiny that the appraisal was transferred to New Penn.

** A sample "appraisal transfer letter" can be found attached to this job aid.*

FHA Appraisal Transfers from New Penn – The New Penn Account Manager must transfer the FHA case # to the new lender through FHA Connection. The New Penn Account Manager should email npfappraisals@newpennfinancial.com requesting an appraisal transfer providing the new lender name, borrower name(s) and subject property address. The new lender's email address must be provided as Vendor Management will forward the original appraisal, the appraiser invoice and the Appraiser Independence Certification to their attention and make note in Destiny that appraisal was transferred.

CONVENTIONAL and SMART SERIES Appraisal Transfers

Conventional and Smart Series Appraisal Transfers to New Penn – The Wholesale **Broker** should email npfappraisals@newpennfinancial.com and the assigned New Penn Account Manager with a signed appraisal transfer letter*, original appraisal, XML appraisal file, Fannie/Freddie SSRs, the AMC's invoice as it was submitted to lender when appraisal was completed by the appraiser and the Appraiser Independence Certification. Vendor Management will upload the information to XDOC and record notes in Destiny that the appraisal was transferred to New Penn.

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Conventional Appraisal Transfers from New Penn – The New Penn **Account Manager** should email npfappraisals@newpennfinancial.com requesting an appraisal transfer providing the new lender name, borrower name(s) and subject property address. The new lender's email address must be provided as Vendor Management will forward the appraisal transfer letter, original appraisal, SSRs, the invoice and Appraiser Independence Certification to their attention as well as upload appraisal transfer letter to XDOC and make note in Destiny that appraisal was transferred. XML file of appraisal will be provided if required by new lender.

Required Transfer Documentation

Original Lender to provide:

- a. Transfer Letter from original lender releasing appraisal to New Penn
- b. Color PDF Appraisal file
- c. Appraiser Independence Certification
- d. XML appraisal file (conventional and USDA appraisals)
- e. Fannie and Freddie SSRs (conventional appraisals)
- f. AMC Invoice submitted to original lender when appraisal was completed

Reasons for Rejecting a Transferred Appraisal

1. Appraisal will be rejected if it was not completed through an Appraisal Management Company by the original lender
2. Appraisal will be rejected if it was completed by the Wholesale broker's company as the original lender
3. Appraisal will be rejected if the broker orders appraisal through his/her AMC as a method of not using New Penn approved Wholesale AMCs
4. Appraisal will be rejected if it was used in a refi or purchase transaction that closed/funded in the past 60 days
5. Appraisal will be rejected if it is submitted without an appropriate appraisal transfer letter, Color PDF Appraisal, Appraisal XML file, Fannie/Freddie SSRs (conventional only), invoice provided from the AMC to original lender when appraisal was completed and Appraiser Independence Certification.

Transfer Letter Verbiage

Attached is the Appraisal Assignment Letter used by New Penn when we transfer to another lender at borrower request. We will ask for a similar letter to be provided to New Penn, and most lenders already have their own version.

Vendor Management will be looking for language substantially similar to ours stating: **“Lender operates in compliance with the Home Valuation Code of Conduct (HVCC), Appraiser Independence Requirements (AIR) and FHA Guidelines regarding appraiser independence (ML 09-28)”. To the best of our knowledge the Appraisal for the above named property meets the requirements outlined in the HVCC, AIR and ML 09-28. Lender releases all rights, title and interest to the Appraisal on the above named property to: New Penn Financial, LLC”.**



Unacceptable Recent Appraisal

The appraisal being transferred cannot have been associated with a refinance or purchase transaction that took place in the past 60 days.

Wholesale Underwriting must confirm that if a refinance or purchase transaction took place for the subject property in the past 60 days that the appraisal transferred to New Penn was not used in that transaction by the original lender.

FAQs

Q. Will an appraisal review be required for FHA, USDA or CONVENTIONAL transferred appraisals?

A. Conventional and USDA transferred appraisals will fall into the Level 2 category automatically requiring a Risk Report and Desk Review to support appraised value. Underwriting will stip for Desk Review in the Conditional Loan Approval (CLA) and the Wholesale Account Manager will notify Vendor Management to place order following standard process.

Q. Who pays for the automatic Risk Report and Desk Review and is that fee disclosed to the borrower?

A. The borrower will pay for the required review with an assumed average cost of about \$225 (Risk Report \$25 and Desk Review \$200). The review fee MUST be disclosed to the borrower on a revised GFE, but when Vendor Management receives a request to consider a transferred appraisal, they will alert the disclosure team to the change-in-circumstance and required re-disclosure. When the completed Risk Report and Desk Review are received, Vendor Management will record the fee in Destiny Task Tracking as Net from Wire.

Q. Can an appraisal be transferred for use with a NPF (portfolio) SP product like Jumbo or Foreign National?

A. No, these appraisal transfer procedures only apply to FHA, USDA & CONVENTIONAL loan products.

Q. Can an appraisal be transferred to NPF for use with a VA Program?

A. Yes, and technically it is not a “transfer” and does not need to follow the steps in these procedures. So long as a VA appraisal exists (completed by a VA appraiser) it can be transferred to another lender through the VA Portal. There are no XML files or SSR reports needed to use a VA appraisal.

Q. Who manages the transfer of an FHA Case Assignment and appraisal transfer to NPF?

A. The prior lender that established the case # will need to reassign the case # to NPF via FHA connection. They will need the correct NPF FHA Lender ID to do this, and they will need to provide the required documents.

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Q. Who manages the transfer of an FHA Case Assignment from NPF?

A. The New Penn assigned Account Manager will complete the FHA Case # reassignment to another lender via FHA Connection. The New Penn Account Manager will provide specific information to Vendor Management



to forward the transferred appraisal, including the new lender name, borrower name(s), subject property address, and the new lender's email to send the appraisal report.

Q. Who manages the transfer of a CONVENTIONAL appraisal transfer to NPF?

A. The broker should email Vendor Management (along with the assigned AM), with the required documents, and Vendor Management will manage the review, advise if the appraisal is accepted/reject, upload documents to XDOC if accepted and make notes/record information in Destiny Task Tracking.

Q. Who manages the transfer of a CONVENTIONAL appraisal transfer from NPF?

A. The AM should email Vendor Management providing specific information for the transfer, including the new lender name, borrower name(s), subject property address and the new lender's email to send the appraisal report.

Q. Can an appraisal transfer for Dream Big be accepted?

A. Yes, an appraisal transfer for Dream Big is allowed.

Q. Can an appraisal transfer for Smart Series be accepted?

A. Yes, an appraisal transfer for Smart Series is allowed.



All loans are subject to credit and property approval. Programs, rates, terms and conditions are subject to change without notice. Other restrictions apply. New Penn Financial NMLS# 3013 (NMLScustomeraccess.org). Equal Housing Lender.