ASK THE APPRAISER LIVE

Top 20 Submitted Questions with references for responses

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CORE MESSAGE Better property data, better documentation, and earlier communication can produce a more efficient process and a better-supported appraisal. They do not guarantee a particular value.

UAD 3.6, MLS Data, and Timing

1. What is UAD 3.6, and when does it become mandatory?

UAD 3.6 is the redesigned Uniform Appraisal Dataset and Uniform Residential Appraisal Report used for applicable Fannie Mae and Freddie Mac appraisal submissions. It replaces the legacy form-number approach with one dynamic report that adapts to the property and assignment. It becomes mandatory for all new appraisal reports initially submitted to the Uniform Collateral Data Portal (UCDP) on or after November 2, 2026. The controlling event is the initial UCDP submission date, not the application date, inspection date, or appraisal effective date.

2. How will UAD 3.6 affect listings, clients, and closing timelines?

Agents and sellers should expect more structured property questions and more detailed reporting. Early in the transition, inspections and report completion may take longer while appraisers, lenders, AMCs, and software providers adjust. Accurate MLS data and a complete appraisal packet can reduce follow-up questions and avoid preventable delays. UAD 3.6 does not guarantee a higher or lower value.

3. Will UAD 3.6 cause more repairs to be required?

UAD 3.6 does not create a new universal repair list. It does require more detailed reporting of observed property conditions, which may make deficiencies more visible. Whether a repair is required depends on the loan program, lender instructions, assignment conditions, and whether the condition affects safety, soundness, security, structural integrity, or marketability.

4. What information should agents obtain from sellers?

Obtain dates and descriptions of renovations, additions, conversions, roof and major-system replacements, permits, pool and generator details, solar ownership or lease terms, accessory-unit information, HOA information, surveys, elevation certificates, and known deficiencies. Approximate dates are better than leaving the information blank, but do not guess or present an estimate as verified fact.

The Perfect Appraisal Packet

5. What should be included in the appraisal packet?

Provide the fully executed purchase agreement and addenda, concession details, seller property-information worksheet, renovation list with dates, permits, survey or elevation certificate when available, HOA information, solar documentation, and factual information about special features. Relevant comparable sales may be included when accompanied by a brief explanation of why each sale competes with the subject.

6. What should not be handed to or communicated to the appraiser?

Do not demand a value, threaten consequences, provide only the highest-priced sales, or represent construction cost as market value. Avoid personal information unrelated to the property or market. Agents may advocate for accurate facts and relevant market evidence, but they should not attempt to direct the appraiser to a predetermined conclusion.

Contracts, Concessions, and Communication

7. Why does the appraiser receive the purchase agreement?

For a purchase transaction, the appraiser must analyze the current agreement of sale. The contract provides evidence about the agreed price, concessions, personal property, financing terms, addenda, and other conditions. It shows what one buyer and one seller agreed to, but it does not establish market value by itself. Comparable market evidence must still support the conclusion.

8. How do seller concessions and buyer-agent compensation affect the appraisal?

The appraiser analyzes whether a concession or interested-party contribution affected the sale price or terms. The amount and type should be reported accurately. Compensation paid pursuant to a buyer representation agreement is not automatically treated as a sales concession solely because the seller or listing broker pays it. The appraiser follows current agency and lender guidance and analyzes any effect on the transaction rather than applying an automatic dollar-for-dollar adjustment.

Comparables and Adjustments

9. How do appraisers choose comparable sales?

Comparable selection is based on the actions of typical buyers and the subject's competitive market. Appraisers consider location, property type, site utility, living area, design, quality, condition, effective age, amenities, sale date, concessions, and verification quality. The best comparable is not necessarily the closest, newest, or highest-priced sale. It is the sale that provides the most meaningful evidence and requires supportable adjustments.

10. Is there a one-mile or six-month rule for comparable sales?

No universal rule requires every comparable to be within one mile or six months. Recent and nearby sales are generally preferred when they are competitive and similar. Rural, unique, luxury, waterfront, or other limited-data properties may require a wider geographic search, an older sale, or both. The appraiser should explain the expanded search and any market-condition adjustment.

11. What if there are no true comparables nearby?

The appraiser may expand distance, time, price range, or property characteristics in a controlled manner. Several sales may be used to bracket different features, with no single sale matching everything. Older or more distant sales can be credible when they compete for similar buyers and their differences can be analyzed. The report should explain why they represent the best available evidence.

12. How are rural properties, shops, barns, stables, and unique homes appraised?

The appraiser identifies the buyer profile and competitive market, then searches for sales that reflect the most important value-driving characteristics. When matched sales are scarce, support may come from a broader market, paired or grouped data, depreciated cost, allocation, interviews, listings, and other recognized methods. A feature may contribute value even without an identical comparable, but its cost does not automatically equal its market contribution.

13. How are adjustment amounts determined?

Adjustments should reflect market reaction, not a universal adjustment sheet. Support may come from paired sales, grouped-data analysis, regression when appropriate, sensitivity analysis, depreciated cost, allocation, interviews, or other market evidence. The method must fit the available data. Not every physical difference produces a measurable adjustment, and adjustments are not automatically dollar-for-dollar with cost.

14. How are pools, garages, carports, generators, shops, and extra bathrooms valued?

Their contributory value depends on local buyer behavior, quality, condition, utility, and market expectations. A pool may command a premium in one neighborhood and little value in another. A garage may contribute more than a carport, but the difference is market-specific. Generators and shops can add value, although buyers may not pay their full installation cost. The appraiser should analyze the feature within the subject's market.

15. Does a new roof or renovation add its full cost to value?

Usually not. A new roof may cure deferred maintenance, improve condition, reduce effective age, and make the property more competitive. Renovations may also improve market appeal. However, cost and value are different concepts, and many improvements do not return 100 percent of their cost. The contribution is measured through buyer reaction and relevant market evidence.

16. Why is price per square foot a dangerous way to value a home?

A sale's price per square foot bundles land, location, design, quality, condition, garage, pool, porches, outbuildings, site improvements, concessions, and market conditions into one ratio. It is a useful descriptive statistic, but not a complete valuation method. The full sale price per square foot is not the same as the market-supported adjustment for one additional square foot of living area.

Living Area and Property Requirements

17. What counts as living area, especially additions and one-and-one-half-story homes?

For applicable appraisal assignments, above-grade finished area is generally measured under the required ANSI standard. The area must be finished, accessible, and suitable for year-round residential use, and ceiling-height rules apply. Below-grade space is reported separately. Additions should be analyzed for permits, construction quality, access, heating and cooling, functional integration, and market acceptance. A room can have value even when it is not included in reported above-grade living area.

18. Why do FHA, VA, USDA/RD, and conventional appraisals have different repair requirements?

The programs have different agency rules and assignment conditions. FHA, VA, and USDA/RD emphasize minimum property requirements or standards in addition to valuation, while conventional lender requirements may differ. The appraiser reports observed conditions and applies the applicable instructions, but is not performing a home inspection or guaranteeing code compliance. Similar-looking situations can differ in severity or in the instructions governing the assignment.

Consistency and Reconsideration of Value

19. Why can two appraisals of the same property produce different values?

The effective dates, available sales, market conditions, property condition, scope of work, intended use, and information supplied may differ. Appraisal also involves professional judgment in comparable selection, adjustments, and reconciliation. A difference does not automatically prove that either appraisal is wrong, but a material inconsistency should be examined through the underlying facts and support.

20. How should an agent challenge an appraisal or request reconsideration of value?

Follow the lender or AMC reconsideration-of-value process. Identify specific factual errors, provide the correct information and source, explain why an omitted sale is relevant, and identify any incorrect concession or transaction data. A strong request focuses on evidence that could affect the analysis. Avoid arguing only that the contract requires a higher value or that another appraiser reached a different conclusion.

Quick phrases to use during the webinar

- The contract tells us what one buyer and one seller agreed to. The comparable sales help determine whether the broader market supports that agreement.
- Price per square foot is a summary statistic, not a complete valuation method.
- Cost and market value are related concepts, but they are not interchangeable.
- A reconsideration is strongest when it helps correct the record, not when it simply requests a different result.
- Geographic competency means understanding the market or acquiring the necessary competency. It does not necessarily mean the appraiser lives in the neighborhood.

UAD 3.6 references: Fannie Mae: singlefamily.fanniemae.com/delivering/uniform-mortgage-data-program/uniform-appraisal-dataset | Freddie Mac: sf.freddiemac.com/tools-learning/uniform-mortgage-data-program/uad | JMA resources: jmappraisers.com/uad-resources-and-information

Reference note: *These answers are educational summaries. Verify agency, lender, and assignment requirements for the specific transaction. Appraisers must remain independent and comply with applicable law, USPAP, and assignment conditions.*

Webinar notes and follow-up items

Questions to revisit

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Resources promised to attendees

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Follow-up contacts or training requests

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