

KHC COVID-19 Appraisal Policy

During this COVID-19 national emergency, KHC is allowing temporary flexibilities to conventional appraisal requirements per [Fannie Mae Lender Letter \(LL-2020-04\)](#).

There are no changes to FHA, VA and RHS at this time.

Highlights of the Fannie Mae Lender Letter 2020-04

- Temporary appraisal requirement flexibilities are effective immediately and remain in place for loans with application dates on or before May 17, 2020.

Traditional Appraisal

- KHC prefers a traditional appraisal. When an interior inspection is not feasible because of COVID-19 concerns, KHC will accept a desktop appraisal or an exterior-only inspection appraisal in lieu of the interior and exterior inspection appraisal.

Exterior-Only Inspection Appraisals

- Lenders are reminded that the following exhibits to the appraisal report are required for an exterior-only inspection appraisal:
 - A street map that shows the location of the subject property and of all comparable sales that the appraiser used;
 - Clear, descriptive photographs (either in black and white or color) that show the front of the subject property, and that are appropriately identified (photographs must be originals that are produced either by photography or electronic imaging); and
 - Any other data – as an attachment or addendum to the appraisal report form—that are necessary to provide an adequately supported opinion of market value.

Desktop Appraisals

- The desktop appraisal does not include an inspection of the subject property or comparable sales. The appraiser relies on public records, multiple listing service (MLS) information, and other third-party data sources to identify the property characteristics. It is reported on Form 1004 or Form 1073 and submitted to Fannie Mae through the Uniform Collateral Data Portal (UCDP).