

# Vendor Engagement Letter

This engagement letter is intended to provide detailed information and requirements to completely and accurately fulfill the assignment referenced herein. Please read this document carefully upon accepting the assignment.

Our vendor portal at <https://vendor.xomevaluations.com> provides you with the ability to view, manage, and fulfill assignment requests.

ORDER INFORMATION			
Order Number:	1823580.1	Fee Amount:	365.00
Order Date:	6/2/2016 at 10:11:05 AM	<b>DUE DATE:</b>	<b>6/9/2016 at 9:00:00 PM</b>
Product:	Exterior-Only 2055		

SUBJECT PROPERTY INFORMATION	
Address:	767 SPORTSMANS RD Somerset, PA 15501
Borrower(s):	N/ A Work: Mobile: Home:
Co-Borrower(s):	Work: Mobile: Home:
Access Contact:	Work: Mobile:
Available Date/Time:	

## ORDER-SPECIFIC INSTRUCTIONS:

CLIENT / LOAN INFORMATION			
Client:	Nationstar Credit Risk Forward 350 Highland Dr. Lewisville, TX 75067		
Loan Number:	629242660	Loan Amount:	0.00
Loan Purpose:	Asset Valuation		
Sale Price:	0.00	Estimated Value:	0.00

## PRODUCT INSTRUCTIONS:

### LETTER OF ENGAGEMENT FOR PROFESSIONAL VALUATION

**Intended Use:**

The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**Intended User:**

The Client listed above and any others that may be identified by the client that could have a need to rely on the information contained in the appraisal report.

**Anticipated Scope of Work / Minimum Appraisal Requirements:**

Only the appraiser assigned to the appraisal order is allowed to inspect the property and complete the appraisal.

The appraiser shall at a minimum, prepare all appraisals in conformance with the generally accepted appraisal standards as evidenced by the Uniform Standards of Professional Appraisal Practice, Fannie Mae, Freddie Mac, USDA/Rural Housing guidelines, UAD, HUD/FHA, applicable state and any other relevant guidelines and standards.

**Delivery Expectations:**

- All EXTERIOR and OTHER ANCILLARY products must be delivered within 3 calendar days
- Four (4) business hours from acceptance to call the property contact and update Xome Settlement Services with appointment date/time (if required)
- 24 hours from acceptance to inspect the subject property
- Same day confirmation of inspection completed
- 24 hours from inspection to deliver completed report
- Four (4) hours to address revision requests and deliver revised report

Xome Settlement Services requires updates throughout the lifecycle of the order. Update the website with order progression details to avoid phone calls from Xome Settlement Services. Failure to update the website, or respond to Xome Settlement Services inquiries will affect your ability to receive future work from Xome Settlement Services, and may result in reassignment without compensation. All completion delays must be communicated to Xome Settlement Services immediately. Please contact via website or at 888-852-5376

**Reassignment:**

Xome Settlement Services reserves the right to re-assign any order without pay that goes more than 48 hours without communication from the appraiser.

**Appraiser Independence:**

Appraiser's opinion of value must be developed with independence, impartiality and objectivity. If the appraiser encounters any attempt to influence, coerce or otherwise attempt to influence the outcome of the appraisal report by anyone associated with the appraisal, they should immediately call the Xome Settlement Services Appraisal Independence Hotline at 1-866-539-5721 and email [AppraiserIndependence@Xome.com](mailto:AppraiserIndependence@Xome.com).

**Order Acceptance:**

By accepting this appraisal assignment, you are certifying that you are competent in the property type of this assignment and geographical area of which the property for this assignment is located as well as your license is valid and current at time of order acceptance within the state in which the property is located, and with no known pending investigations by state licensing boards.. Please review the assignment conditions carefully, as you are required to decline any assignment for which you are not geographically competent or that falls outside your scope of practice restrictions. Your acceptance of this assignment additionally certifies that you have access to the appropriate data sources for this assignment, and confirms your full understanding that any misrepresentation of competency may be subject to the mandatory reporting requirement of the Truth in Lending Act/Regulation Z. (TX Appraisers: Refer to Section 1104.160 of the Texas Occupations Code)

**Client Requirements**

**Lender/Client (as it is to appear in appraisal):**

Nationstar, 350 Highland Drive, Lewisville, Texas 75067

**Stop and Call**

If any of the following apply please contact your coordinator before proceeding.

If the subject property has sustained any significant damage which could make it unlivable,

If the structure has no value.

If the property is commercial.

Does not match property type as ordered

**If ordered as Interior product:** It is assumed the property is vacant and the lockbox code is the last four (4) digits of the loan number. If the appraiser cannot gain interior access, they should convert to exterior, notify Solutionstar, and complete a 2055 appraisal product. Also, a comment in the report that it was converted to an exterior is required.

**If ordered as Exterior product:** If there is a lockbox and appraiser can gain interior access by using the last four (4) digits of the loan number, they should convert to interior, notify Solutionstar, and complete an interior appraisal product.

### **Exterior Drive By Reports**

Must be completed on FNMA form 2055

### **Subject:**

The agent must inspect the subject property and is not to rely on an assistant or another agent to complete the inspection. The inspection must be conducted during daylight hours. The agent is to report the source of the subject's gross living area (tax records, appraisal, previous MLS listing). Provide previous 3 year marketing history if available. The last known sale price and date of sale for the subject should be provided.

If the property is currently listed, please provide the original list price, current list price, listing date, cumulative DOM, listing agent name/brokerage, and their phone number.

If the property has been listed in the past year and the listing has been canceled, expired, or was withdrawn, the last known list price should be provided in the report.

If the value given to the subject exceeds the current, expired, or canceled list price for the subject property, a thorough explanation needs to be given why.

If the subject condition is less than average, a detailed list of all repairs with an estimated cost to cure must be provided to bring property up to "move-in condition".

The subject gross living area should only include above grade living space. Anything below grade should be considered basement square footage with a percentage of finished rooms below grade.

### **Neighborhood/Market:**

Commentary to include local market conditions and trend of the:

- County
- City
- Zip
- Subject Market Area

Comments must be made to explain declining or depressed markets and REO activity in the area.

### **Site:**

Commentary required when any external factors which will positively or negatively influence the price of the property are present. Examples: Power lines, Busy road, railroad tracks, etc.

### **Comparables:**

Comparables used should reflect the prevailing forces driving the market the subject is located in. In cases where distressed sales are driving the market, a comment is required which explains the distressed condition of the market

Comps should be from within the last six months, although you can go up to a year if necessary. Anything over six months must have a thorough explanation in the report and why it had to be used. A time adjustment should be made if it is a declining market.

Comp proximities should also be reasonable. Urban comps should be within a half mile, suburban comps within one mile; rural comps within five to seven miles. If you have to go further for your comp search, please give a thorough explanation why. Location adjustments should be made if comps used are from a different market/neighborhood.

If a property is in an REO driven area, or the highest and best use for the property is investor, we do request that REO comps are used.

If subject is in poor or fair condition, 1 closed comp with similar condition must be provided to establish the "as is" price.

### **Adjustments:**

No single line adjustment should be over 15% of the sale price. If exceeded please provide commentary stating how the comps are comparable to the subject.

The total gross adjustments should not exceed 25% of the sale price. If exceeded please provide commentary stating how the comps are comparable to the subject.

Final prices should be rounded to the nearest \$1,000 and all line item adjustments to the nearest \$100

All sales or financing concessions should be shown as negative adjustments.

### **Photos:**

Exterior reports: Front view of the subject property, 2 street scene photos (both directions), and address verification.

Interior reports: Front view of the subject property, 2 street scene photos (both directions), address verification, rear view, kitchen, main living area, and all bathrooms.

All comparables in the report must have one exterior photo provided. MLS photos are permitted.

If any photos cannot be provided, an explanation must be provided in the report.

### **Location Map:**

Subject, comparable sales, comparable listings and comparable rentals should be marked.

Marketability comments required if the map indicates the subject is located near any significant landmark. (Roadway, Commercial/Community property, Train tracks, etc.)

If any comparable sale, listing or rental is located across any significant boundary (Highway, Train Tracks, River, etc.) from the subject a comment is required stating if marketability issues exist.

### **Sketch for Interior reports**

A fully notated floor plan sketch including all wall dimensions utilized in calculating gross living are. Label all rooms and conversion areas. Hand drawn sketches are not acceptable.

### **1004MC:**

Required on all reports

### **AIR Compliance Statement**

*"No employee, director, officer, or agent of the lender, or any other third party acting as joint venture partner, independent contractor, appraisal management company, or partner on behalf of the lender, shall influence or attempt to influence the development, reporting, result, or review of an appraisal through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery, or in any other manner..."*

*I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower, or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to Xome Settlement Services."*

### **Client Cancellation Policy**

Order cancellations by the lender will result in the following payment to the appraiser

- Only orders that have been reviewed and approved by Xome Settlement Services Quality Control and have been sent to the lender will result in full payment
- If the assignment is cancelled after inspection and the report is not complete - \$50 trip fee

Xome Settlement Services reserves the right to withhold payment for appraisal services rendered upon the following verified and documented circumstances:

- Breach of Xome Settlement Services security/Fraud Policy & Procedures
- Acts of unprofessionalism as deemed by Xome Settlement Services
- Failure to complete order requirements according to the appraiser engagement letter
- Gross negligence within the appraisal reporting process
- Violation of Dodd-Frank Act guidelines or Appraisal Independence Requirements
- Violation of local, state or federal laws while performing services rendered
- Failure to complete valid post-delivery revision requests according to Dodd-Frank Act

### **Fee Disclosures**

**AMC cannot prohibit the appraiser from disclosing the fees paid to the appraiser in their report to the client.**

Arizona  
California  
Connecticut  
Delaware  
Georgia  
Illinois  
Kansas  
Kentucky  
Louisiana  
Maryland  
Mississippi  
Missouri  
Montana  
Nebraska  
New Hampshire  
North Carolina  
North Dakota  
Oklahoma  
Oregon  
Pennsylvania

South Dakota  
Tennessee  
Texas  
Virginia  
Washington  
West Virginia  
Wyoming

**Appraiser must disclose the fee paid for an appraisal report, ordered by an AMC, in the scope of work section.**

Arizona

**AMC to disclose to the appraiser, the total fee collected, the AMC retained fee and the appraiser fee. Appraiser must disclose, within the appraisal report, the appraiser fee and the AMC retained fee.**

Nevada  
New Mexico  
Utah

**Illinois**

AMC Registration# 558000072

The owner of the property under appraisal has been advised that interior images may be required under the assignment criteria.

The Agencies' (OCC, FRB, FDIC, OTS, NCUA) appraisal regulations include minimum standards for the preparation of an appraisal. The appraisal must: analyze and report appropriate deductions and discounts for proposed construction or renovation, partially leased buildings, non-market lease terms, and tract developments with unsold units. Appraisers must analyze, apply, and report appropriate deductions and discounts when providing an estimate of market value based on demand for real estate in the future. This standard is designed to avoid having appraisals prepared using unrealistic assumptions and inappropriate methods in arriving at the property's market value

**Dodd-Frank-Appraiser Independence Requirement Compliance**

Xome Settlement Services is in full agreement with the objectives of the (AI) Appraiser Independence Requirements under Dodd-Frank. Accordingly, we have selected your services in connection with our commitment to provide appraisal management services that include appraisals performed by experienced, educated, competent and qualified appraisers who conduct appraisals without undue influence and undue pressures to perform. In addition to other specific work order requirements and the assigned scope of work of this appraisal order, each appraiser must adhere to the following:

An appraiser must not communicate with the Client (including any Client agent, e.g., a mortgage broker) or attempt to obtain from the Client, the borrower or the subject property owner any loan or value information. All communication between the appraiser and any parties involved within the loan process should be limited to assignment informational and/or purposes set as acceptable within Dodd-Frank. If an appraiser has reason to believe that with respect to this appraisal order that any person has attempted to improperly influence the appraisal valuation, put undue pressure to perform, and/or notes any violations regarding the Appraiser Independence Requirements under Dodd-Frank, the appraiser must report that activity to (I) the Xome Settlement Services hotline (866-539-5721), (II) the applicable State appraiser certifying and licensing agency or other relevant regulatory bodies. Xome Settlement Services will not retaliate in any manner or method against the person or entity that makes a complaint under this requirement.

**Confidentiality: Communications**

Each appraiser acknowledges that it's directors, officers, agents, subcontractors, employees of or other parties connected with appraiser shall be responsible for, and shall, in the course of performing it's duties and responsibilities under this Agreement, be exposed to or acquire information which is proprietary to or confidential to Xome Settlement Services or

its clients (“Confidential Information”). Appraiser agrees to hold such Confidential Information in strict confidence and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose such Confidential Information to third parties or to use such Confidential Information for any purposes other than the purposes contained in this agreement. Appraiser shall apprise all of its agents, employees, officers, directors, subcontractors, and other parties for which appraiser is responsible of their obligations to keep such Confidential Information confidential, and appraiser shall be responsible for any breach of this Confidentiality provision by it or any of the aforementioned parties related to appraiser. Each appraiser acknowledges when accepting this assignment the appraiser cannot share the appraisal with parties other than the client, Xome Settlement Services, or regulatory agencies.

**STATE MANAGEMENT LICENSE:**

A state AMC license may be required to conduct business within the subject property's state. If applicable, this license information is provided below.

**License Number:**