

Thank you for your interest in becoming an approved appraisal provider for ACT Appraisal, Inc. (ACT). For your review, we have attached our standard appraiser approval package, which outlines ACT's expectations for the preparation and delivery of appraisal reports.

For consideration as a provider for ACT, several factors are examined and ranked with respect to the market and products that you choose to provide, which would include report quality, delivery time frames, delivery methods, timely communication and your competitive fee structure. When considering these items at the time of your application, be sure to recognize the rewards of working with a professional company with over 18 years of experience in collateral valuation and risk management.

Our goal is to build a long term relationship with our vendors sharing in the same goal of providing accurate, concise and timely appraisal reports.

The following documents are included in this approval package.

1. Policies & Procedures
2. Application
3. Engagement Letter
4. W9

Please forward the completed application along with the additional listed information.

- Complete application package.
- Copy of current licenses for you and your associates for any state in which Appraiser desires to perform appraisal assignments.
- Copy of E&O insurance for you and your associates.
- Engagement letter listing your fees to be signed.
- Completed and signed W9 form.
- Resume of Appraisal History
- HUD Verification

## **Nature of Relationship**

This Agreement does not create or stipulate an employer-employee, principal-agent, or joint venture relationship between the Appraiser and ACT. The Appraiser is not, and shall not represent himself/herself, to be an employee of ACT. Every Appraiser is an independent contractor and current placement on the ACT Approved Fee Appraisers list does not guarantee appraisal work now or in the future.

## **Certification Requirements**

Only properly certified appraisers will be used for our appraisal assignments. We expect you or your office to be in full compliance with the regulations set forth in the state in which you are appraising. Your license number and expiration dates are kept on file with ACT and your approval status will be deactivated upon expiration of your license until we are in receipt of your renewal license.

## **Assignment Policy**

Every appraisal assignment you receive from ACT contains information on the property you are being asked to appraise. Not only is this information important in assisting you on the assignment, it also contains each of our client's underwriting requirements along with the type of appraisal being requested. The order form also details our agreed upon fee for the product in this market along with the expected delivery timeframe. If at any time you or your office cannot comply with the assignment requirements please contact the staff at ACT immediately.

## **Scheduling Requirements**

ACT requires all appraisers to communicate the inspection status within 24 hours of receipt of the appraisal order. This confirms receipt of the order by you or your office, and secondly it allows ACT to update our clients on the status of their appraisal request. It is important for our retail clients that their borrowers are contacted immediately. ACT monitors the timeliness of the appointment setting on a grading system and this data is considered in our vendor selection for each market.

## Time Frames

Appraisers are responsible for delivering the completed appraisal orders within the time frame noted on the original assignment. If you are unable to meet the established deadline, we ask that you notify your ACT representative immediately. For orders requiring an interior inspection, borrowers must be contacted and appointment set within 24 hours. Failure to produce reports within the established deadline without providing ACT with an acceptable reason for the delay prior to the due date may result in a fee reduction or a reduction in future order assignments. Our clients anticipate the delivery of their appraisal reports within 24 hours after the inspection time. Most importantly, we require that appraisers keep the lines of communication open in keeping with the timely and accurate service that our providers are accustomed to.

## Communication

Communication is the key to a successful relationship between ACT and its approved Appraisers. ACT's relies on its staff to have minimal contact with each of their vendors. Basic communication rules must be followed for optimal efficiency.

We require our vendor partners to communicate to ACT any time time frames that cannot be met or when an inspection cannot be scheduled for any reason.

Your communication with ACT must be delivered through our website via your own personal user profile and order tracking system. Once you have become an approved vendor with ACT your office will be supplied with a user name and password that will allow you to utilize this feature within the vendor access portion of our site.

If at any time your office needs to speak to one of our representatives we can also be reached at (888) 377-8901. Failure to effectively communicate properly with ACT will cause unnecessary communication for both of our offices. Any such issues are documented. ACT routinely reviews this data when considering future assignment decisions.

## Report Delivery

Once your firm has completed the appraisal assignment, the report must be transmitted to our website in the form of an Adobe Acrobat PDF file format. PDF is a standard accepted format used to electronically deliver documents and works with any appraisal software package. ACT will provide a list of the required items needed in the report and in which order to be sent at completion. Please utilize ACT's order number as the filename. This reference number is located on your order assignment.

## Reviews

Each appraisal report is reviewed by a quality control staff before it is delivered to our clients. We review for specific requirements the lender has defined to ACT in addition to reviewing for industry standard practices. Any specific requirements are provided to you at the time of assignment. Please ensure these items are satisfied before transmitting your report to avoid any unnecessary communication between our offices. Repeated quality concerns may be subject to a reduction in future order volume or removal from our approved appraiser list.

## Compensation

Compensation for the services to be performed as an independent contractor is defined as follows:

- A. Upon completion of each appraisal, appraiser shall be entitled to a fee in accordance with the agreed upon fee structure between ACT and appraiser.
- B. Appraiser will not invoice ACT or its clients directly. All invoicing is handled automatically through our accounting department.
- C. ACT reserves the right if needed to increase or decrease the amount of fees payable upon 30 calendar day's prior notice to appraiser.
- D. Appraiser agrees that any compensation arrangement for appraisal services between ACT and Appraiser is confidential in nature and should not be discussed with any third party without the express written consent of ACT.

## **Payment & Billing**

Utilizing the user name and password supplied to your office, all invoicing should be communicated using our website. Do not send individual invoices with your appraisals. Since our volume of work is high, we cannot process individual appraisal bills. Provide this electronic statement once per month to ACT, at the beginning of each month, and payment will follow within 30 days.

## **Termination of Agreement**

Either party, upon 30 calendar day's written notice or immediately with cause, may terminate this Agreement. All written notices are to be sent via standard mail to the address shown in your vendor profile at the time of removal.

## **Non-Compete Clause**

During the term of this Agreement, Appraiser will not solicit appraisal work from businesses introduced to appraiser by virtue of the relationship with ACT. This includes referencing your relationship with ACT and/or offering to complete appraisal assignments directly for the institution rather than through ACT. This non-compete clause will continue in full force for a period of twelve (12) months following termination of this Agreement by either party. Direct acceptance of an assignment prior to termination of the non-compete period will require payment to ACT of a fee not less than 50% of the gross fee received by the Appraiser, associate or Appraiser's firm.

Applicant Name: \_\_\_\_\_ Company Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_  
 Fax: \_\_\_\_\_ Pager: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Appraisal Software: \_\_\_\_\_  
 Name checks should be payable to: \_\_\_\_\_

### ***Additional Information***

Have you or has your firm ever been involved in a lawsuit either pending or resolved?	Yes	No
Have you ever been disciplined by a state appraisal licensing agency or professional organization?	Yes	No
Have you ever been disciplined or sanctioned by HUD?	Yes	No
Have you ever had a claim filed against your Errors and Omissions Insurance?	Yes	No

**If you answered "YES" to any of the 4 questions above, then please include a letter of explanation with your returned application**

### ***Insurance Information***

Do you have a current Errors and Omissions Insurance Policy?	Yes	No
Carrier Name: _____	Policy #: _____	Exp. Date: _____

### ***Licensing/Certification Information***

Type of Certification: _____	License #: _____	Date Expires: _____
Type of Certification: _____	License #: _____	Date Expires: _____
Type of Certification: _____	License #: _____	Date Expires: _____

### ***Associate Licensing/Certification Information***

If you have more than one Appraiser who will be completing appraisal reports for ACT, please complete the following information. **NO TRAINEE LICENSES ACCEPTED.**

Name: _____	Type of Certification: _____	License #: _____	Date Expires: _____
Name: _____	Type of Certification: _____	License #: _____	Date Expires: _____
Name: _____	Type of Certification: _____	License #: _____	Date Expires: _____
Name: _____	Type of Certification: _____	License #: _____	Date Expires: _____
Name: _____	Type of Certification: _____	License #: _____	Date Expires: _____
Name: _____	Type of Certification: _____	License #: _____	Date Expires: _____
Name: _____	Type of Certification: _____	License #: _____	Date Expires: _____
Name: _____	Type of Certification: _____	License #: _____	Date Expires: _____

## Engagement Letter

The below-signed vendor certifies all appraisals completed for ACT Appraisal, Inc. will adhere to the following requirements:

1. The Uniform Standards of Professional Appraisal Practice will be utilized for all appraisals completed.
2. The vendor agrees that all Associates of the Company will maintain, at a minimum, a state appraiser's license/certification.
3. Appraisals will be completed in compliance with the requirements of the Financial Institutions and Regulatory Agencies, and will adhere to Fannie Mae and Freddie Mac guidelines.

**Please review and complete your fee schedule:**

Full Appraisal (1004, Condo)	\$
Multi Family/Duplex	\$
2055 Interior/2065 Interior	\$
2070 Interior	\$
Drive by (704, 2055 Exterior, Land Only)	\$
2065 Exterior	\$
FNMA 2000 Review	\$
Evaluation	\$
Evaluation with Exterior Inspection (2075 Exterior, 2070 Exterior)	\$
Evaluation with front Photo, Recertification, Re inspection, Home Inspection	\$
ERC Appraisals	\$
REO Appraisal	\$
FHA Appraisal	\$

Indicate which counties you agree to cover for the above fees:

### **Appraiser represents & warrants to ACT Appraisal, Inc. (ACT):**

- All appraisals must meet USPAP and ACT's appraisal quality and service standards, and conform to secondary market guidelines (Fannie Mae, FHLMC, and HUD).
- All information submitted by Appraiser to ACT in providing appraisal services and in applying for approval as a member of the ACT approved residential appraisal panel is true and correct as of the date of submission, and is true and correct as of the effective date of this Agreement.
- If Appraiser becomes aware of any information that may disqualify Appraiser as a member of the ACT approved residential appraisal panel, Appraiser will notify ACT of such information immediately.
- All appraisals completed by Appraiser will be delivered to ACT on or before the due date on the assignment as confirmed by Appraiser. Completed appraisals will be delivered to ACT electronically in PDF format.
- Appraiser is licensed or certified as required in order to perform appraisal services related to property located in the states shown on application, and will provide to ACT a copy of each such license and renewal thereof. Appraiser will maintain these licenses/certifications throughout the term of this Agreement, and will advise ACT immediately of any investigation or proceeding relating to said license/certification. Appraiser will indemnify ACT for any and all losses, damages, fines and/or costs, including reasonable attorney's fees, in connection with any failure by Appraiser to be properly licensed.
- Appraiser will complete all assignments in person and will not allow assignments to be completed by, or assigned to, Appraisers that are not on ACT's approved residential Appraiser panel, or to trainees without notification to, and prior approval by, ACT.
- Appraiser understands that all appraisal reports completed for ACT are subject to desk and/or field review. Field reviews may involve an interior inspection of the subject property.

- By accepting an assignment, Appraiser acknowledges that he/she has the knowledge and the experience to complete the assignment competently and is familiar with all significant market factors in the geographic areas listed in coverage areas.
- Appraiser's use of electronic communications to transmit appraisals is secure; only Appraiser knows the password required transmitting appraisals and only Appraiser has the access required to electronically transmit an appraisal with an electronic signature.

### Indemnification

Appraiser will indemnify and hold harmless ACT Appraisal, Inc. for any liability arising out of negligent work, or for the release of any appraisals without ACT's permission. In addition, the Appraiser is liable for payment of any legal fees, claims, damages, losses and liabilities resulting from Appraiser's negligence or non-performance of the duties and obligations identified herein.

### HUD Approval

Are you approved by HUD to prepare FHA appraisals and you agree that the above fees apply to both FHA and conventional assignments.

Yes       No

Please sign below indicating your acknowledgement and agreement with the terms and conditions set forth in this engagement letter and ACT's Appraiser Procedures.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date