



## **COMPANY POLICIES AND PROCEDURES**

Direct Appraisal Management, Corp, an Appraisal Management Company, has adopted the following policies and procedures in order to ensure full compliance with the Dodd-Frank Act and Appraiser Independence Requirements (AIR).

### **SECTION 1-Appraiser Independence**

Direct Appraisal Management, Corps primary focus is the development and reporting of accurate, unbiased, independent appraisals. All our appraisers and staff members involved in the appraisal process must adhere to all aspects of AIR.

Our appraisers are paid a full fee in a timely manner, regardless of the outcome of the valuation. Direct Appraisal Management, Corp does not accept orders where the client outlines a predetermined and/or desired value.

### **SECTION 2-Appraiser Engagement**

Direct Appraisal Management, Corp is responsible for appraiser selection, retention, and compensation. Our platform only allows us to select appraiser's who are in good standing with their State Licensing Board. Their status is verified in our platform with ASC.GOV website. In addition, our platform allows us to continually verify the appraiser's E & O insurance is current. In the event either of the automatic checks returns a negative result, the appraiser's status is automatically changed to inactive, ensuring no orders can be assigned to the appraiser.

When assigning orders, Direct Appraisal Management, Corp considers the following:

- The appraiser's competency in completing the assignment type
- The geographic competency of the appraiser
- The quality of the appraiser's reporting
- Current capacity and workload of the appraiser in order to ensure quality service and turn times
- Verify the appraiser is not part of the client or lender's exclusionary list

### **SECTION 3-Appraiser Payment/Fair Payment Policy**

Direct Appraisal Management, Corp is responsible for compensation to appraisers. All payments are made in a timely manner, within the timeframe outlined in the appraiser engagement agreement. Payments for assignments completed per the scope of work are never withheld to attempt to persuade or pressure an appraiser. Compensation for appraisers are customary and typical for the market area the services are provided from. An appraiser is never required to adjust an appraised value as a condition for payment, increased compensation or guarantee for future assignments.

### **SECTION 4-Improper Influence**

Direct Appraisal Management, Corp is Dodd-Frank compliant and has implemented written policies and procedures to ensure the integrity of the appraisal process. Our platform tracks all communication between all parties involved in the appraisal process including the appraiser, internal staff and lender commentary.

### **SECTION 5-Referral of Appraisal Misconduct**

Direct Appraisal Management, Corp is aware if any client or lender believes there is basis to believe an appraiser or AMC is violating applicable laws, or is engaging in unethical conduct, the client and/or lender will report the matter to the property state licensing board or appropriate authorities. The appraiser will then be placed on temporary suspension from the management company roster until further instruction is provided from the state licensing board or appropriate authorities. If at any time the appraiser's license is suspended and/or revoked due to improper appraisal practices, the appraiser is immediately removed from Direct Appraisal Management, Corp's approved roster.

All assignments are placed through our Appraisal Scope platform by loan openers/processing staff who are provided password protected access. At no time, does Direct Appraisal Management, Corp accept orders from any originators of the loan which the appraisal is utilized for.

### **SECTION 6-Confidentiality**

Direct Appraisal Management, Corp is committed to complying with all federal, state and local laws, rules, regulations and ordinances relating to privacy rights including, without limitation, the Gramm-Leach-Bliley Act. All data pertaining to the borrower and the subject property is treated as confidential. All appraisers must abide by the Uniform Standards of Professional Appraisal Practice (USPAP), which is the generally recognized ethical and performance standards for the appraisal profession.

## SECTION 7-Borrower Receipt of Appraisal

Direct Appraisal Management, Corp does not provide anyone other than the client a copy of the completed appraisal report. Due to federal regulations, the lender shall ensure the borrower is provide a copy of the appraisal. At no time can Direct Appraisal Management, Corp provide the appraisal directly to the borrower without the lender and/or client consent.

## SECTION 8-Appraisal Quality Control and Review

Direct Appraisal Management, Corps platform (Appraisal Scope) provides an automatic quality control review of 350+ common and UAD rules prior to submission to the lender. The report is then reviewed by our licensed staff appraiser for USPAP compliance. Direct Appraisal Management, Corp submits to UCDP and EAD(FHA) on the behalf of the lender for Fannie Mae & Freddie Mac SSR's. The SSR's, completed report, compliance certificate and invoice are submitted directly to the lender's processing staff. **ONLY** the lenders underwriting/processing may request additional conditions which are provided to Direct Appraisal Management, Corp and then presented to the appraiser through our portal.

Direct Appraisal Management, Corp entertains all requests for appraisal disputes and reconsideration of value changes which may be requested **ONLY** by the processing staff utilizing our reconsideration of value/appraisal dispute form. All data provided for reconsideration is reviewed and forwarded to the appraiser for comment. The appraiser must re-submit the appraisal with an appropriate dated addendum which either supports the original conclusions or amends the previous analysis and conclusions. Upon receipt by Direct Appraisal Management, Corp, it is then re-submitted to lender and/or client.

Direct Appraisal Management, Corp recognizes the importance of protecting the integrity of the appraisal process. Our clients have the peace of mind knowing our policies and procedures ensure compliance with all aspects of Appraiser Independence Requirements.

ILLINOIS LICENSE #558.000307

INDIANA LICENSE #AMC210001

TEXAS LICENSE #2000295

FLORIDA LICENSE #MC402

KANSAS LICENSE #KS207

NEW MEXICO LICENSE #AMC1230

ARIZONA LICENSE #AMC-1023327

MISSOURI LICENSE #2021030560

MICHIGAN LICENSE #1202000228

WISCONSIN LICENSE #109-900

ARKANSAS LICENSE #AMR-237

MINNESOTA LICENSE #40821825

MISSISSIPPI LICENSE #AMC-179

TENNESSEE LICENSE #282

NEVADA LICENSE #AMC.0001149

OHIO LICENSE #AMC.2022001692

SOUTH CAROLINA LICENSE #178

WASHINGTON LICENSE #23021495