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FHA Appraisal Review and Reconsideration of Value Updates

Truist Bank (Truist) announces alignment with FHA’s additional and clarified standards for appraisal reviews, including the second appraisal and Reconsideration of Value (ROV) processes.

Effective Dates

Truist encourages lenders to implement the new ROV requirements immediately, but must implement for all applications received on or after October 31, 2024.

Background Information

On May 1, 2024, FHA published Mortgagee Letter 2024-07 announcing additional and clarified standards for appraisal reviews, including the second appraisal and ROV processes.

Bulletin Details

The updates include revising material deficiencies and clarifying when an underwriter may proceed directly to a second appraisal after identifying a material deficiency in an appraisal. Also included is a requirement for lenders to establish and disclose the process for reviewing and responding to borrower-initiated ROV requests. Truist aligns with these updates. Lenders should consult with their Direct Endorsement (DE) underwriters with any questions.

Other Resources

Support Group	Description and Contact Information:
Correspondent Relationship Coordinator	Specific questions on applying this procedure to specific loan files. Contact your Correspondent Relationship Coordinator at 800.382.2111, option 1.
Product Support	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact Product Support at 800.382.2111, option 3.

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