

Reconsideration of Value Overview

What is a Reconsideration of Value (ROV)?

An ROV is a process that allows borrowers to request an additional review of their appraisal. The request may ask for a correction, or for a reevaluation of the appraised value based on information not present on the appraisal report.

When to Request an ROV

Borrowers are encouraged to thoroughly review their appraisal. A request for an ROV should be considered when a borrower has questions regarding the reliability or credibility of the appraised value. The ROV request may indicate:

- There are errors or omissions in the appraisal report, including incorrect data or mathematical errors.
- Comparable sales data is inadequate and does not accurately reflect the property value.
- Appraisal reflects discriminatory practices or a bias that may have influenced the value determination.

If the appraisal provides a value that is lower than expected, it does not always mean that the appraisal is inaccurate or that another appraisal would result in a greater appraised value.

Guidance for Requesting an ROV

Borrowers should be as detailed as possible when providing information for the ROV request. Disagreements with the appraisal analysis or adjustments made by the appraiser should be explained based on factual information.

Borrowers may provide supporting documentation such as additional market data, comparable sales data, photographs, or other relevant information to support a claim that the appraisal is inaccurate.

Requests based on comparable sales: When providing comparable sales data, the borrower should include details explaining why the new data supports the ROV and is superior to the comparable sales selected by the appraiser.

Comparable sales should have similar characteristics to the subject property, such as gross living area (GLA), room count, and structural style. The sales should also be located within the same market area.

- No more than five comparable sales will be considered.
- Comparable sales provided must have closed prior to the appraisal effective date, based on the information available at that time. Active or pending listings may not be provided for consideration.
- The source of the information must be provided, such as an MLS listing or property records.

Reconsideration of Value Process Overview

- Borrower(s) must complete a Reconsideration of Value (ROV) Request Form.
- The form must be signed and submitted in the manner indicated by the lender.
- Once an ROV request is received, the lender will confirm that sufficiently detailed information has been provided by the borrower and will request any clarifying information needed from the borrower to complete the request.
- Lender will thoroughly assess information provided in the borrower's ROV request. If the ROV request is complete and meets applicable guidelines, the form and supporting documentation will be submitted to the appraiser for consideration.
- The appraiser will generally respond within 5 business days of receiving the ROV request. The appraiser will reassess the appraisal using the additional information and provide an analysis within a revised version of the appraisal report, even if the appraiser determines that a change is not needed to address the issues identified in the ROV.
- Lender will advise borrower(s) in writing of the outcome of the ROV request.

If the lender finds that an appraisal has a material deficiency that cannot be resolved by the appraiser upon request, the lender may order a second appraisal without processing an ROV request.

General Guidelines

- Borrower(s) may initiate only one ROV request per appraisal.
- ROV requests may no longer be submitted after a loan has closed.
- Borrower(s) may not submit additional appraisals completed for the property, as support for the ROV. Prior appraisals will not be provided to the appraiser for review or comment.
- Borrower(s) may not provide a desired or estimated value or range of values for the appraiser to consider.
- Appraisers must follow professional standards defined in the Uniform Standards of Professional Appraisal Practice (USPAP).

Reconsideration of Value (ROV) Request Form

After reading and understanding the 'Reconsideration of Value Overview', provide accurate details which support your basis for this Reconsideration of Value (ROV) request. If the form provides insufficient space, feel free to include additional information in a separate document. Should you have any questions, please contact your loan officer.

NOTE: Click 'Save As' (do not 'Print to PDF'), complete all fields, attach additional documents as needed, then send to ROVAppraisal@axosbank.com.

Date of Request: _____ Axos Loan Number: _____

Purpose of Reconsideration of Value

I am submitting this ROV request because of the following (select all that apply):

- Factual errors or omissions in the appraisal report
- Inappropriate or incorrect comparable sales were used
- Report concerns of appraiser bias or discrimination practices

General Guidelines of Acceptable Comparable Sales

- Comparable sales must be for a closed sale. Current listings or contingent sales cannot be considered.
- The closed date of the comparable sale must be no more than 12 months prior to the effective date of your appraisal and cannot be after the effective date of your appraisal.
- The comparable sales should be proximate to your home. While proximity may vary based on the rural or urban location of your home, keep in mind that the closer (and more similar in characteristics) the comparable, the more likely it will be considered appropriate and reasonable. If you live in a subdivision, condominium project, or PUD, recent sales in your development of similar properties are the most persuasive.
- Comparable sales should have similar characteristics including the style of the home, size of the lot, gross living area, room/bedroom/bathroom count, age, condition, and quality of construction.

Contact Information

Applicant's Full Name (First Name, Last Name): _____

Applicant's Email Address (must be applicant's): _____

Loan Officer of Mortgage Company: _____

Appraisal Information

Effective Date of Appraisal: _____ Appraiser Name: _____

Subject Property Address: _____

City: _____ State: _____ Zip Code: _____

ROV Request Reason Summary

Please explain the reason for this ROV request. If the request includes additional comparable sales for the appraiser to consider, fill out the details for each proposed comparable in the next section.

Please attach additional pages if text does not fit in this box.

Please explain why you believe the comparable sales listed below are superior to those selected by the appraiser. Maximum of 5. Attach MLS printouts, sales contracts, or other supporting documentation.

1st Proposed Comparable Sale for ROV

| Proximity of Subject | Sale Price | Date of Sale | Beds | Bath | Site Size | GLA |
|----------------------|------------|--------------|------|------|-----------|-----|
| | | | | | | |

Comp Address / Data Source / Comments

Please attach additional pages if text does not fit in this box.

2nd Proposed Comparable Sale for ROV

| Proximity of Subject | Sale Price | Date of Sale | Beds | Bath | Site Size | GLA |
|----------------------|------------|--------------|------|------|-----------|-----|
| | | | | | | |

Comp Address / Data Source / Comments

Please attach additional pages if text does not fit in this box.

3rd Proposed Comparable Sale for ROV

| Proximity of Subject | Sale Price | Date of Sale | Beds | Bath | Site Size | GLA |
|----------------------|------------|--------------|------|------|-----------|-----|
| | | | | | | |

Comp Address / Data Source / Comments

Please attach additional pages if text does not fit in this box.

4th Proposed Comparable Sale for ROV

| Proximity of Subject | Sale Price | Date of Sale | Beds | Bath | Site Size | GLA |
|----------------------|------------|--------------|------|------|-----------|-----|
| | | | | | | |

Comp Address / Data Source / Comments

Please attach additional pages if text does not fit in this box.

5th Proposed Comparable Sale for ROV

| Proximity of Subject | Sale Price | Date of Sale | Beds | Bath | Site Size | GLA |
|----------------------|------------|--------------|------|------|-----------|-----|
| | | | | | | |

Comp Address / Data Source / Comments

Please attach additional pages if text does not fit in this box.

Acknowledgement

By signing below, I acknowledge that the information provided in this ROV request form is accurate to the best of my knowledge. I understand that the appraiser will review the provided information and make a final decision based on the evidence submitted. I also understand there can only be one ROV request per appraisal, Axos Bank must be the lender of record on the appraisal, and that ROV requests cannot be submitted after a loan has closed. If this request is submitted by the Broker, Broker acknowledges the borrower is aware of this request and understands another ROV cannot be submitted for the same appraisal.

Signature: _____ Date: _____

Name: