



For Immediate Release

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### **FHA Appraisal Rules in Effect January 1, 2010 Match SettlementOne's Valuation Compliance Standards**

San Diego, CA – A recent Mortgagee Letter sent by Federal Housing Administration Commissioner David Stevens, clarifies standards of appraisal independence and announces new requirements regarding eligibility in the appraisal ordering process. The letter 2009-28, simply reiterates strategies and policies currently in existence within SettlementOne Valuation Corporation's operational structure. FHA has long advised lenders and appraisers of the importance of appraiser independence in the context of generally accepted prudent lending practices. The new requirements, effective January 1, 2010, establish who within the lender's organization is eligible to request an appraisal from an FHA Roster appraiser.

"By creating a uniformity in standards for all appraisals, the new requirements solidify compliance practices and clarify procedures within the lending organizations. Many lenders have established varying internal processes based on the type of loan product and with more loans becoming FHA these new requirements will encourage a standardization within lending institutions" stated Jo Hartman, SettlementOne's Director of Quality Assurance. "We planned months ago for this transition and already have clearly defined compliance assurances in place for our lenders and banks."

In addition to clarifying the appraiser selection process, the new FHA guidelines also address geographic competency and the payment of reasonable fees to appraisers. SettlementOne's assignment mechanism bases criteria for selection first on quality and second on proximity. SettlementOne long ago differentiated themselves from other AMC's by creating partnerships with superior experienced appraisers and compensating them appropriately according to market area. "Our appraisers are not vendors but partners," remarks Vicky Hamilton, Director of Appraiser Services, "it's a two way street, we have high expectations of our appraisers to provide us with accurate, timely reports and in turn we pay them well and treat them with respect."

SettlementOne has made maintaining compliance with the FHA requirements simple for lenders by introducing practices that meet both HVCC and FHA requirements. Every facet of the appraisal process has undergone a stringent review process to ensure clients a seamless transition. Lenders are encouraged to begin the process of transitioning to a compliant system now to avoid potential disruptions at the deadline. SettlementOne customizes the process to meet each lenders specific needs, ensuring an uncomplicated smooth transition.

For more than a decade, lenders have benefited from SettlementOne's credit reporting, flood certification, AVM, appraisal, title, closing, and compliance solutions. SettlementOne's premier customer service, proven reliability, and innovative technology has provided clients with the resources and service needed to grow their organizations. SettlementOne Valuation Corporation specializes in compliance ready appraisal solutions for banks and lender nationwide.

Visit [www.settlementone.com](http://www.settlementone.com) today for more information on our appraisal products and services.

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