



OBJECTION, YOUR HONOR, HEARSAY!

We've all heard it in the courtroom dramas. So, what does it have to do with appraisal practice? Plenty.

Hearsay is "testimony that is given by a witness who relates not what he or she knows personally, but what others have said..." [Black's Law Dictionary, Second Pocket Edition, © 2001 by West Group]

Okay, but you still don't see what it has to do with appraisal practice. Let me ask you:

How many times has a fellow appraiser said to you, "Oh, Fannie Mae won't let you do that", or "FHA says you have to do it this way"? THIS is when it's appropriate to say, "Objection!" or, at least, "Really? Can you show me where this is said?"

You can anticipate that the subsequent response will epitomize hearsay: "Well, there was a guy at a class I took who said that he took a class where the instructor (or was it the guy next to him?) said that an AMC told him that Fannie Mae said that you have to do it that way."

Really? Is that what you're going to go with? Does your livelihood deserve 15-30 minutes of research once a week? For Fannie Mae you can download the guide if you go to

https://www.allregs.com/tpl/public/fnma_freesiteconv_tl.aspx. You'll want to click on:

2015 Selling Guide; then

Part B Origination Through Closing; and

B4-1 Appraisal Requirements; and, finally

B4-1.3 Appraisal Report Assessment.

(You didn't expect easy, did you? This is Fannie Mae we're talking about!)

Believe it or not, HUD makes getting their guidance easier than saying the name of the book itself. Just go to www.allregs.com/tpl/public/fha_freesite.aspx and click on *4000.1*: and click on:

FHA Single Family Housing Policy Handbook; and

Origination Through Post-Closing/Endorsement.

You now have no reason to rely on hearsay from what's-his-name!

© 2015, Mark Loftus