

Announcement # 25-07**Date:** January 16, 2025

Reminder: Fannie Mae Appraisal Time Adjustment Requirements

This is a reminder regarding Fannie Mae's appraisal requirements, effective for appraisals dated on or after March 1, 2025.

Fannie Mae updated their Selling Guide to emphasize the importance of analyzing comparable sales for any changes in market conditions between the contract date of the comparable sale and the effective date of the appraisal. Clients are reminded that when market conditions have changed, appraisers must make appropriate time adjustments, supported by evidence using any the following acceptable practices:

- The use of home price indices (HPIs)
- Statistical analysis
- Modeling
- Paired sales
- Other commonly accepted methods

Fannie Mae encourages the use of the tools listed above to provide credible support for market trends and conditions.

The appraisal report must include at a minimum:

- A summary of the supporting evidence for any time adjustments (or lack thereof); and
- A description of the data sources, tools, and techniques used.

Clients are encouraged to implement these requirements immediately, but must do so for appraisals on or after March 1, 2025. Failure to make market-derived time adjustments when indicated by market data is considered an unacceptable appraisal practice.

Please contact your Sales Representative with any questions.