

Valuation Waterfall

CU Score is ≤ 2.5	Desk Review	Field Review	VS Review
Collateral Underwriter (CU)	Desk Review	Field Review	QA/QC or In-Depth
Broker to provide original appraisal and appraisal XML file.	Acra will order desk review.	Acra will order the field review.	Files with value supported by a CU score of ≤ 2.5 or satisfactory Desk Review go through QA/QC (<i>legal and technical review of appraisal</i>).
File tasked for valuation review triggering the start of the valuation waterfall. <i>*CU eligible properties: SFR Form 1004, Condo Form 1073)</i> <i>Not eligible for CU: Manufactured Form 1004C and Multi-Family Form 1025 if property is not CU eligible, Desk Review is ordered.</i>	Value outside 10% variance of Original Appraisal (OA)? If YES, a Field Review will be ordered. If NO, files moves to QA/QC review.	Upon receipt of Field Review, file to be submitted for an In-Depth Collateral Review by Valuation Specialist. <i>*additional conditions may apply</i>	Loan Amount > \$1.5M (Refi) and > \$2.0M (Purchase) will require an In-Depth Collateral Review by Valuation Specialist.
CU ordered. Is score ≤ 2.5 ? If YES, files moves to QA/QC review process. If NO, a Desk Review will be ordered.	Desk Review indicates Risk Rating High or Inconclusive? If YES, a Field Review will be ordered. If NO, <u>AND</u> value variance is less than 10% of OA, file moves to QA/QC.		In-Depth Collateral Review by Valuation Specialist required at Acra's discretion.

Refinance transactions - Loans >\$1.5M will require two appraisals
Purchase Transactions – Loans >\$2M will require two appraisals
**A desk review will be ordered using the lower of the two appraisals*

Files with variance outside of original appraisal will require an In-Depth Collateral Review by Valuation Specialist. At Acra's discretion, files deemed rural, with excessive acreage, and/or unique properties may be subject to an In-Depth Collateral Review by Valuation Specialist.