



Q & A - Wintrust Application of Home Value Code of Conduct and InHouse Solutions

1) What loans are affected by the Home Valuation Code of Conduct?

The Home Valuation Code of Conduct ("the Code") applies to all conventional, single-family loans originated on or after May 1, 2009, that are delivered to Fannie Mae or Freddie Mac. For purposes of the Code, origination date means the date of the application. Wintrust will also be adapting the code for FHA appraisals as well in the near future.

2) How does the HVCC change the appraisal process?

The code requires complete independence in the appraisal process. Any person involved in the production of the loan cannot have contact with the appraiser in the ordering or value determination. Wintrust is taking this process a step further in utilizing an AMC (appraisal management company) to act as the intermediary in the appraisal process. All contact with the appraiser will be through InHouse Solutions, our chosen AMC. All appraisal assignments are performed on a random rotation basis from the roster of approved appraisers maintained by InHouse Solutions. The term "loan production staff" is not defined in the Code. However, the FAQ's prepared by federal agencies on the agencies' appraisal regulations specify as follows:

"The loan production staff consists of those responsible for generating loan volume or approving loans, as well as their subordinates. This would include an employee whose compensation is based on loan volume or the closing of a loan transaction. Employees responsible for the credit administration function or credit risk management are not considered loan production staff."

"May a lender order an appraisal by directing a broker to select an AMC from among a group of specifically authorized AMC's, one of which would receive information from the broker about the loan application and begin the appraisal process?"

No. Such a process would give the broker an element of responsibility for selecting or retaining the appraiser, and therefore would not be compliant with the Code." (taken directly from Fannie Mae's frequently asked Q&A's)

3) How do I order an appraisal?

Enter the Wintrust site as you normally would by entering your password and ID. Simply click on the link to "Wholesale - Order Appraisal" in the Tool bar. The link will take you to the InHouse/Wintrust website where you will be asked to log in. The first time you do this, the system will prompt you for information and email a user name and password to you. Once inside the site, the screens will prompt you to ORDER an appraisal, check STATUS of

an appraisal order, retrieve an appraisal and more. Training is available on a regular basis from InHouse Solutions. Schedules will be posted.

4) *Does the Code prohibit an appraiser from collecting payment for the appraisal directly from the borrower?*

Yes. The Code requires the lender or any third party specifically authorized by the lender to select, retain, and provide for all compensation to the appraiser. InHouse Solutions will collect payment for the appraisal at the time of placing the order. This can be accomplished with a credit card or e-check.

5) *How would an appraiser I currently work with get approved by InHouse Solutions to be included in their rotation?*

The appraiser can contact InHouse Solutions at aaron@inhouse-solutions.com for information on credentials needed and their approval process.

6) *Will Wintrust accept appraisals from another AMC (Appraisal Management Company)?*

No, Wintrust has chosen to utilize InHouse Solutions as its appraisal management company and all appraisals must be ordered from them.

7) *Will Wintrust accept appraisals transferred from another AMC/Lender?*

The only way we can accept appraisals transferred from another AMC/Lender is if the lender provides certification that the appraisal is HVCC compliant, in writing.

8) *How do I communicate the Underwriter's request for additional comparables or explanation to the appraiser?*

InHouse's website, which is accessed in the Tools on Blue Connect, has a place to add comments. These comments are communicated to the appraiser by InHouse Solutions for response/action. These responses are required to be addressed within 1-2 days.

9) *What if I want to appeal a value determination by the appraiser?*

Use the comments people on the website to request anything from the appraiser.

10) *Can an appraisal ordered from InHouse Solutions via the Wintrust website be transferred to another lender if Wintrust declines the loan?*

Yes. The Broker will need to notify their Account Executive of the request to transfer the appraisal from the InHouse Representative assigned to Wintrust.

11) *What if the AMC provides an appraisal from an appraiser on an investors' exclusionary list?*

Individual investor's exclusionary lists are proprietary and cannot be shared with the AMC. It is our hope that InHouse has so thoroughly reviewed their appraisal panel that it will not contain an appraiser found on an investor's exclusionary list, however, there are times when an investor cannot define why an appraiser is even on their list. Because these lists are not eligible to submission to InHouse, we cannot guarantee 100% acceptance of their appraisers by our end investors. We will do everything to assist you should this occur. InHouse has been provided with Wintrust's exclusionary list, and will be updated monthly, so we can assure you that you will not be provided with an appraiser found on our list.

12) *How does InHouse comply with providing a copy of the appraisal to the borrower at least 3 days prior to the closing?*

The site, when ordering an appraisal, will prompt the user to enter a date they wish the appraisal to be provided to the borrower. That date must be no less than 3-days prior to the closing.

14) *Can the borrower waive the three-day requirement for receiving a copy of the appraisal?*

Yes, a form letter is posted to Blue Connect for this purpose. The form must be provided to Wintrust.