



Second Reconsideration of Value (“ROV”) Disclosure Notice and ROV Request Form

Date: _____ Loan Number: _____

Consumer Name: _____ ROV Request Deadline: _____

Mailing Address: _____

Subject Property Address: _____

Subject Property Appraisal Date: _____ Appraiser Name: _____

Dear _____,

We are again notifying you about the process and requirements for requesting a Reconsideration of Value (“ROV”) of the appraisal of the subject property. This process is in accordance with the guidelines established by Fannie Mae, Freddie Mac, FHA, and VA to ensure fairness and accuracy in property valuations. We have adopted this process as a best practice for all of our one to four unit residential properties including residential second homes and investment properties.

What is a Reconsideration of Value (ROV)?

A ROV is a formal request by you for us and the appraiser to review and possibly revise the appraised value of the subject property. This process is typically initiated when you believe that the initial appraisal did not accurately reflect the property's true market value. Only one ROV request is permitted per property appraisal.

When to Request an ROV

This notice is being provided to you along with the copy of the property appraisal. You should review the appraisal and if you believe an ROV is warranted based on the criteria listed below, you should consider requesting a ROV:

- You identified factual errors in the appraisal report.
- You located other comparable properties that were not included in the initial appraisal (up to five additional comparables can be submitted unless a Veteran’s Administration loan then up to three additional comparables).
- You identified changes in the market that might affect the property’s value.
- You believe the appraisal was influenced by bias or discrimination.

How to Request an ROV

If you believe any of the above circumstances have occurred, then to request a ROV, please follow these steps:

1. **Gather Supporting Evidence:** Collect any relevant information or documents that support your request. This may include:
 - Additional comparable sales that were not considered in the initial appraisal (a maximum of five or three for VA loans);
 - Documentation of factual errors in the appraisal report;
 - Evidence of significant market changes since the initial appraisal; and/or
 - Evidence of bias or discrimination.

2. **Complete the attached ROV Request Form:** Complete the ROV Request Form provided below, providing detailed explanations and attaching all supporting documentation. Do not submit a prior appraisal or Automated Valuation Model (AVM) completed on the subject property for the appraiser to comment on or compare data; it will be rejected as it is a violation to provide desired or anticipated value/value range to the appraiser. Instead, you can list the comparables used or data from that appraisal if you feel they are relevant. The language in the ROV cannot lead the appraiser to a value conclusion; do not ask for a specific value to support a purchase price or a loan amount. The appeal should focus on facts rather than an opinion. If the ROV does not include appropriate support or is not in compliance, it will be returned to you for revisions.

A note on submitting comparables:

- Comparables must be for a closed purchase, no listings or contingent sales can be considered.
- The closed date must be no more than 12 months prior to the effective date on your appraisal and cannot be after the effective date on your appraisal.
- You must provide at least 2 additional comparables up to a total of 5.
- The comparables must be proximate to your home. While proximity may vary based on the rural or urban location of your home, keep in mind that the closer (and more similar in characteristics) the comparable, the more likely it will be considered appropriate and acceptable. If you live in a subdivision, condominium project, or PUD, recent sales in your development of similar homes are the most persuasive.
- Proximity is determined "as the crow flies" rather than the driving mileage between the comparable. *Visit <https://www.freemaptools.com> to help determine the "crow flies" distance from the subject property and proposed comp.
- The Gross Living Area of the comparable should be comparable to the subject property, typically the difference in GLA should be less than +/-20% of the subject property.
- Comparables should have similar characteristics including the style of the home, size of the lot, GLA, room/bedroom/bathroom count, age, condition, and quality of construction.

3. **Submit Your Request:** Send the completed form (below) as instructed on the request form along with all supporting documents, no later than the ROV Request Deadline (indicated above).

What Happens Next?

Upon your ROV request, we will:

- Review the provided information and supporting evidence.
- Contact you for clarification if the ROV Request Form is incomplete.
- Forward your request to the appraiser for reconsideration.
- Notify you of the appraiser's decision and any adjustments to the appraised value.

Timing

Please note that while we will make every effort to review your request and provide a decision within 13 calendar days, after receiving your ROV request, the final decision timing will involve the original appraiser which we will notify of our expected response time when the request is provided to the appraiser, we will make every effort to keep the processing time for the ROV analysis to the 10 days or less because the ROV process must be completed prior to your loan closing.

Contact Information

If you have any questions or need further assistance, please contact your Account Manager or email ROV@luxurymortgage.com. We are here to help you through this process.

Thank you for your attention to this matter. We appreciate your cooperation and patience as we work to ensure a fair and accurate valuation of your property.

Luxury Mortgage Corp.
NMLS # 2745



Reconsideration of Value ("ROV") Request Form

Date Requested: _____
From: _____
Subject Property Information:
Street Address: _____
City: _____ State: _____ Zip Code: _____
Loan Number: _____
Appraisal Date: _____ Appraiser Name: _____

To: Luxury Mortgage Corp.

Please provide a detailed explanation for your ROV request. Check all that apply and attach supporting documentation.

1. Factual Errors in Appraisal Report:

[] Description of Error(s): [Provide a detailed description of the errors identified in the appraisal report.]

2. Additional Comparable Sales:

[] Description of Comparable Sales: [Provide details of additional comparable sales not included in the initial appraisal. Maximum of up to 5, if a VA loan the maximum is up to 3. Attach MLS printouts, sales contracts, or other supporting documentation.]

3. Market Changes:

[] Description of Market Changes: [Provide evidence of significant market changes since the initial appraisal. Attach relevant market analysis, reports, or other supporting documentation.]

4. Reflects Prohibited Discriminatory Practices:

[] Description of Discrimination/Bias: [Discriminatory practices may include an indication of a potential violation of fair housing laws or professional standards related to nondiscrimination as well as statements related to characteristics of a protected class unless fair housing laws permit consideration of the characteristic, such as age restricted housing or housing with certain accessibility features.]

Support Evidence

Please attach all supporting evidence related to your ROV request. This may include:

- Documentation of factual errors
- Details and documentation of additional comparable sales
- Evidence of market changes
- Evidence of discriminatory practices

Consumer Acknowledgment

By signing below, I acknowledge that the information provided in this ROV request form is accurate to the best of my knowledge. I understand that the appraiser will review the provided information and make a final decision based on the evidence submitted.

Signature: _____

Date: _____

Submission Instructions

Please submit the completed ROV Request Form and all supporting documentation **within ten (10) calendar days of the receipt of your appraisal** through one of the following methods:

- **Email:** ROV@luxurymortgage.com
- **Mail to:** Luxury Mortgage Corp., Attn. Appraisal Department; 18100 Von Karman Avenue, Suite 350, Irvine, CA 92612.
- Should you have any questions about how to complete the form, contact your Account Manager or email ROV@luxurymortgage.com.
- If this form does not provide sufficient space, feel free to include additional information in your email or a separate word document. The more information you provide, the better the appraiser will be able to address your concerns.

****For Luxury Mortgage USE ONLY****

Received by: _____

Date received: _____

Date receipt acknowledged to the Applicant: _____

Underwriting assigned: _____

Forward to the Appraiser: YES No

If not, please explain why it was not forwarded to the appraiser:

Date forward to Appraiser: _____

Date response received by Appraiser: _____

Appraiser's Decision:

Appraised Value Adjusted

Appraised Value Unchanged

Appraiser's Response:

Date response provided to the Applicant: _____