MORTGAGE BASICS

The Home Appraisal Process: What the Appraiser Does, How Long It Takes, and the New 2026 Appraisal Form

Coltrain Mortgage Team · October 29, 2026 · 8 min read

You're in contract, the inspection is done, and your attorney says "the appraisal's been ordered." Who's coming, what are they looking at, how long will it take, and what if their number doesn't match your price? Here's how the home appraisal process works, from who picks the appraiser to what's in the report, plus the new appraisal form that becomes mandatory in November 2026.

Ordered by the Lender

Visit Often Under an Hour

Report a Few Days After the Visit

New Form Required Nov. 2, 2026

Why Does the Lender Need an Appraisal?

An appraisal is an independent opinion of the home's value from a licensed or certified appraiser. It protects the lender: the house is the collateral, so the lender wants an unbiased professional to confirm the value supports the loan.

That value sets your loan-to-value ratio (LTV), the loan amount divided by the value. On a purchase, the lender generally uses the *lower* of the price or the appraised value. On a **refinance** or **HELOC**, the appraisal is the value, which decides your equity and whether you need **mortgage insurance**.

You usually pay the fee, upfront or at closing depending on the lender. On a purchase, it's ordered after you're in contract and have applied, usually after your home inspection. You get a free copy, no later than three business days before closing unless you waive that timing.

> **Can you skip it?** Sometimes. Some conventional loans qualify for "value acceptance," an appraisal waiver, or a newer version that adds a visit from a trained data collector (not an appraiser) who photographs the home and sketches a floor plan. Most Long Island purchases still get a full appraisal.

Who Picks the Appraiser? How Appraisal Management Companies Work

You don't pick the appraiser, your agent doesn't, and neither do we. After the 2008 crisis, the Dodd-Frank Act wrote appraiser independence into federal law, and Fannie Mae and Freddie Mac added their own Appraiser Independence Requirements. Anyone paid when the loan closes, brokers included, can't order the appraisal, choose the appraiser or push for a number.

That's why many lenders use an appraisal management company (AMC), a go-between that keeps a panel of state-licensed and certified appraisers and handles the ordering. AMCs are registered by the states and must follow the same independence rules as the lender.

1. **The lender orders it**
   Through its AMC or its own appraisal desk, never through the loan officer.
2. **The AMC assigns an appraiser**
   A licensed or certified appraiser who knows the area.
3. **The appraiser schedules the visit**
   Usually with the listing agent on a purchase, or with you on a refinance.
4. **The report goes back up the chain**
   Appraiser to AMC to lender, who reviews it and sends you a copy.

So questions go through your loan officer, not the appraiser. Sharing facts, like a list of updates, is fine. Pressuring anyone for a number is not.

Buying or refinancing on Long Island? We'll walk you through every step.

What Does the Appraiser Do at the House?

The appraiser walks the outside and the inside. It isn't a home inspection, so they won't test the furnace or judge your decorating, and they won't tell you a number on the spot. They will:

- ✓ Measure the outside of the house for square footage
- ✓ Photograph the front, street and the rooms inside
- ✓ Count bedrooms and baths and note the basement
- ✓ Rate condition and quality, and note updates with dates
- ✓ Flag visible defects, like water stains or missing handrails

For a typical single-family home, the visit usually takes about 30 minutes to an hour; bigger or unusual homes take longer. On **FHA** and **VA** loans, the appraiser also checks the program's minimum property standards for safety and soundness.

How to Prepare for a Home Appraisal

No need to stage. The appraiser values the house, not the furniture. What helps:

1

Open every door

Attic, basement, garage, panel, boiler.

2

List updates

Roof, kitchen, baths, with dates and receipts.

3

Have permits

COs for a finished basement or apartment.

4

Solar papers

Owned or leased? Bring the paperwork.

How Long Does an Appraisal Take?

The report is usually ready a few days after the appraiser's visit. Getting the visit on the calendar is the biggest variable, and busy seasons or unusual homes can stretch things, so build that into your commitment date. See where it fits in our **loan process guide**.

What's in an Appraisal Report?

The heart of every report is the comparable sales: usually at least three recent nearby sales, each adjusted for differences like an extra bath or a finished basement. The final value is either "as is" or "subject to" repairs, which usually must be done and re-inspected before closing.

☰ **See the six main sections of a report** Open ▾

Subject property	Address, tax and legal details, lot size, zoning, the number of rooms, bedrooms and baths, age, heating and cooling, garage, and any updates the appraiser verified.
Neighborhood and market	The area's boundaries and character, whether values are rising, stable or falling, and how quickly homes are selling.
Comparable sales	Usually at least three closed sales, ideally recent and close by, with a dollar adjustment for each difference from your home. The appraiser explains why each comp was picked.
Condition and quality	Standard ratings: C1 (new) to C6 (major problems) for condition, and Q1 to Q6 for the quality of construction and finishes.
Sketch and photos	A measured floor plan showing how square footage was calculated, plus photos of the home, the street and the comps.

Reconciliation	How the appraiser weighed the comps and other evidence to land on one final opinion of value, and any conditions on it.

What If the Appraisal Comes in Low?

The lender bases the loan on the lower value, so the gap has to be solved. Your options:

1. **Renegotiate**
   A low appraisal gives your agent real leverage with the seller.
2. **Cover the gap**
   Bring more cash, or meet the seller in the middle.
3. **Ask for a reconsideration of value**
   On Fannie Mae and Freddie Mac loans, once per appraisal, with up to five better comps or proof of factual errors.
4. **Walk away, if your contract allows**
   Your attorney can tell you whether a contingency lets you cancel.

The New Appraisal Form for 2026: What's Changing

The appraisal report is getting its biggest overhaul in years. Fannie Mae and Freddie Mac redesigned the Uniform Residential Appraisal Report (URAR) on a new data standard, UAD 3.6. The old separate forms for houses, condos, 2-4 units and exterior-only appraisals (the 1004, 1073, 1025, 2055 and others) become one dynamic report that expands or shrinks to fit the property.

Sept. 8, 2025	Jan. 26, 2026	Nov. 2, 2026
Limited use begins	Any lender can use it	Mandatory for Fannie and Freddie loans

The mandatory date is based on when the lender first submits the appraisal to Fannie Mae and Freddie Mac.

NEW **A short grace period.** On September 30, 2026, Fannie and Freddie gave lenders who ask a one-time exception to keep using the old format through May 19, 2027, so you may still see it for a few months. FHA says it will adopt the new format, dates to come; VA and USDA hadn't set timelines as of this writing.

1

Summary up front

Value and a photo on page one.

2

More photos

Every kitchen, bath and bedroom.

3

ANSI square feet

Above- and below-grade space reported separately.

4

Sharper condition

Inside and outside rated separately; defects itemized.

+ **The full list of what's new** Open ▾

Photos now sit inside each section of the report. Required shots include the front, the street, every kitchen and bathroom, the main living areas and all bedrooms, plus basements, renovations, accessory units, outbuildings and views where present. Square footage must follow the ANSI Z765 standard, and finished space generally needs 7-foot ceilings to count. Condition gets separate interior and exterior ratings with rewritten C1-C6 and Q1-Q6 definitions, each kitchen and bathroom gets its own update and condition record, and defects are itemized by location with a recommended repair.

The report also records roof age, broadband availability, whether solar panels are owned or leased, energy-efficiency features, and disaster mitigation like flood vents, storm shutters, sump pumps and generators. Accessory dwelling units (ADUs) get their own section instead of a line in the comments.

Why it matters on Long Island: many capes, colonials and hi-ranches here have finished basements, dormered attics or a partly below-ground lower level. Under ANSI rules, below-grade space is reported separately and a low-ceilinged attic room may not count, so the appraiser's square footage can differ from the MLS or tax record without being a mistake. Have an accessory apartment? See our guide to **accessory apartment income**.

OUR TAKE

The Bottom Line

Nobody on your side controls the appraisal, and that's by design. A licensed appraiser, usually assigned through an AMC, visits for about an hour and usually has the report back a few days later. Give full access, a list of updates and your permits, and it tends to go smoothly. Next stops: our **pre-qualification checklist** and **paperwork list**, or compare **conventional** and **FHA** loans.

COMMON QUESTIONS

How long does a home appraisal take?

The visit itself typically takes about 30 minutes to an hour for a standard single-family home, longer for large or complex properties. The report is usually ready a few days after the visit, a bit longer in busy seasons or when appraisers are booked up.

Can I choose my own appraiser?

No. Appraiser independence rules under federal law and Fannie Mae and Freddie Mac guidelines keep borrowers, agents, loan officers and brokers out of appraiser selection. The lender orders it, often through an appraisal management company that assigns a licensed or certified appraiser.

What is the new appraisal form in 2026?

It's the redesigned Uniform Residential Appraisal Report (URAR), built on Uniform Appraisal Dataset (UAD) 3.6. It replaces the old separate forms with one dynamic report and becomes mandatory on November 2, 2026 for appraisals on loans sold to Fannie Mae or Freddie Mac, though lenders who requested a one-time exception can use the old format through May 19, 2027.

Based on published Fannie Mae, Freddie Mac, CFPB and HUD information as of October 2026; subject to change, and lenders may add requirements. Timeframes are typical estimates, not guarantees. All loans are subject to credit approval, underwriting and property eligibility. For education only; not a pre-qualification, loan approval, commitment to lend or legal advice. Coltrain Mortgage is a mortgage broker; all loans are arranged through third-party lenders. Equal Housing Opportunity.

SOURCES (TAP TO VIEW)

Freddie Mac, **UAD and Forms Redesign FAQs** (UAD 3.6 mandatory for new appraisal reports submitted to UCDP on or after November 2, 2026)

Fannie Mae, **UAD 3.6 Photo and Image Requirements** and the **Uniform Appraisal Dataset** page

HousingWire, **GSEs offer temporary UAD 3.6 exception** and ABA Banking Journal, **Fannie Mae, Freddie Mac announce UAD 3.6 policy exceptions** (September 30, 2026)

Fannie Mae, **Value Acceptance + Property Data** and Selling Guide **B4-1.4-11**

Fannie Mae, **Appraisal Management and Appraiser Independence Requirements**

Fannie Mae, **Reconsideration of Value (ROV)** and Selling Guide **B4-1.3-12**

Consumer Financial Protection Bureau, **What is an appraisal?** and **Do I have the right to receive a copy of my home appraisal?**

Regulation Z, **12 CFR 1026.42, Valuation Independence** (Dodd-Frank appraisal independence rules)

HUD, **FHA Single Family Housing Policy Handbook 4000.1** (minimum property requirements)

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READY WHEN YOU ARE

Buying or refinancing? Let's map out your timeline.

We'll explain each step, from the appraisal to the closing table, and help you plan for what comes next. No pressure, no obligation.

Ready to talk it through?
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