SHALL CONSIDER

What the October 22 executive order says about appraisals, in its own words.

THE ONE IDEA

Read the verbs. The order tells the FHFA Director to consider. On its own, it waives no appraisal, and it sets no date for these parts.

THE APPRAISAL LINES, WORD FOR WORD

Sec. 2(a)

"...shall, if he determines that it is in the best interests of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation (Enterprises) or the Federal Housing Finance Agency (FHFA), and the American public, direct the Enterprises to establish a pilot program, applicable only to mortgages made after the establishment of the pilot program, that periodically reviews single-family mortgage loans they own, guarantee, or securitize, using automated valuation models and other available data to assess current market value, and to identify borrowers who appear to satisfy equity and other requirements for cancellation of mortgage insurance."

Executive Order 14438 (Oct. 22, 2026), 91 FR 68007

Sec. 2(c)

"...to notify borrowers promptly when mortgage insurance may be canceled under the pilot program and to reduce or eliminate unnecessary documentation requests, appraisal costs, and other administrative barriers to cancellation."

Executive Order 14438, Sec. 2(c)

Sec. 4(a)

"...direct the Enterprises to expand the title acceptance pilot into an ongoing program, available nationwide through both Enterprises..." (again, "if he determines" it is in the best interests).

Executive Order 14438, Sec. 4(a)

Sec. 4(b)(iii)

"In expanding the program, the Director shall consider: ... (iii) waiving appraisals, income re-verification, and other documentation requirements for limited cash-out refinances that reduce the borrower's monthly payment, where the Enterprise's existing data support doing so;"

Executive Order 14438, Sec. 4(b)(iii)

March 13

Six federal financial regulators, the FHFA Director among them, "shall consider ... (1) modernizing appraisal regulations and guidance to expand the use of alternative valuation models, desktop and hybrid appraisals, and artificial intelligence valuation tools; ... (3) reducing appraisal requirements for low-risk transactions, including low loan-to-value refinancing and small-balance loans"

Executive Order 14393, Promoting Access to Mortgage Credit, Sec. 6(a)

ALREADY TRUE BEFORE THE ORDER

Fannie Mae's value acceptance: "an appraisal is not required" for eligible loans, and its list already includes certain purchase, limited cash-out and cash-out refinance transactions (Selling Guide B4-1.4-10). Working RE reported (March 2, 2026), citing the AEI Housing Center, that waivers were used on roughly 23 percent of GSE loans in October 2025.

SCORE YOUR CALLS

Call 1: B. The order tells the FHFA Director to consider waiving the appraisal, where the data support it. It sets no date; today the GSEs' current rules decide. The AVMs are in the mortgage insurance pilot (Sec. 2), for new mortgages only.

Call 2: B. Hybrid. "Regardless of what was ordered, Property Valuation Method represents what was completed" (Appendix F-1 v1.4, 2.004).

A HYBRID ON THE NEW REPORT

Check these before you start, and again before you sign.

BEFORE YOU START

- [ ] The property data came from a trained and vetted third party (a real estate agent, insurance inspector, appraiser...).
  Fannie Mae Selling Guide B4-1.2-03, Hybrid Appraisals (12/10/2025)
- [ ] It names the collector's occupation, company name and company address.
  Appendix F-1 v1.4, 2.054 to 2.056: required when Property Data Report Used is Yes
- [ ] It says how the collector inspected the exterior and the interior.
  Appendix H-1 v1.5, UAD1521 and UAD1522 (Fatal)

BEFORE YOU SIGN

- [ ] Property Valuation Method says Hybrid: what you completed, regardless of what was ordered.
  Appendix F-1 v1.4, 2.004 · H-1 UAD1222 (Fatal when blank)
- [ ] Property Data Report Used says Yes.
  Appendix F-1 v1.4, 2.004 note · H-1 UAD1519 (Fatal when unanswered)
- [ ] Cert 10 is the version that begins "I did not personally perform an onsite inspection of the subject property".
  Appendix F-1 v1.4, 29.030 · H-1 UAD1515 (Warning when it does not match)
- [ ] The effective date is the date you develop the opinion of value, not the day of the data collection.
  Appendix F-1 v1.4, 2.004 · Fannie Mae B4-1.2-03
- [ ] The quality and condition ratings are yours, from the data and other sources if needed.
  Fannie Mae Selling Guide B4-1.2-03

A REPLY YOU CAN SEND WHEN SOMEONE ASKS IF APPRAISALS ARE GOING AWAY

Subject: Re: the new executive order and appraisals
Hi [name],

Thanks for asking. The October 22, 2026 executive order tells the FHFA Director to consider waiving appraisals on limited cash-out refinances that lower the borrower's monthly payment, where Fannie Mae's or Freddie Mac's data support it. It sets no date for that, and on its own it doesn't waive any appraisal.

Until the FHFA, Fannie Mae or Freddie Mac announce a change, their current guides apply. When a loan needs an appraisal, I'm glad to help.

[your name], [license]

THIS WEEK

- [ ] Read the order's appraisal lines yourself (page 1).
- [ ] Watch for FHFA, Fannie Mae and Freddie Mac announcements. Until they act, the guides you work under haven't changed.
- [ ] If you take hybrid work, run the BEFORE YOU START checks on every property data report.
- [ ] Before you sign a hybrid, make the three match: Hybrid, Property Data Report Used Yes, and Cert 10.

SOURCES

Executive Orders 14438 (Oct. 22, 2026; 91 FR 68007, FR Doc. 2026-22051) and 14393 (March 13, 2026), Sec. 6. Fannie Mae Selling Guide B4-1.2-03 and B4-1.4-10.

Appendix F-1, URAR Reference Guide v1.4: 2.004, 2.005, 2.053 to 2.060, 26.011, 29.030. Appendix H-1, UAD Compliance Rules v1.5: UAD1222, UAD1515, UAD1519, UAD1521, UAD1522.

Working RE, Isaac Peck, "2026 Market Update: Appraisal Volume, Waivers, and PDCs" (March 2, 2026). HousingWire, Nikkita Phanda (Class Valuation), "UAD 3.6 is coming. Hybrid appraisals are built for it." (opinion, Oct. 27, 2026); Flávia Furlan Nunes (Oct. 23, 2026).