



MFM Bulletin: 007-2025

Date: March 27, 2025

Subject: FHA ROV Rescission

FHA has published Mortgagee Letter 2025-08, rescinding previously announced FHA Reconsideration of Value (ROV) appraisal requirements. These changes are effective immediately.

The FHA rescission removed all guidance regarding borrower-initiated ROV. **ROV disclosures will no longer be required on FHA loans.**

A Reconsideration of Value may still be requested when the Appraiser did not consider information that was relevant on the effective date of the appraisal. This includes additional comparable sales that closed prior to the effective date of the appraisal. The underwriter must review and provide the Appraiser with all relevant data that is necessary for a reconsideration of value. The Appraiser may charge an additional fee if the relevant data was not available on the effective date of the appraisal.

If the unavailability of data is not the fault of the Borrower, the Borrower must not be held responsible for the additional costs. The effective date of the appraisal is the date the Appraiser inspected the Property.

We have not received any guidance from FHFA, Fannie Mae, or Freddie Mac on whether they will follow FHA and rescind their ROV requirements. Therefore, all the current ROV policies and procedures, including ROV Disclosures, must continue to be followed for all conventional loans (including Portfolio loans).

We will advise if and when we receive any additional information. Please contact the MFM Underwriting Dept. (underwriting@memberfirstmortgage.com) if you have any concerns pertaining to guidelines and/or eligibility.

Thank you