AI Ready™ Top Questions

1. How do I become AI Ready?

Your forms software provider will have the updates necessary to make your software AI Ready™. Typically, this is simply a file you download from your software provider's Website and install on your computer. For further information on updating to the AI Ready™ version of your forms software please contact your forms software provider directly.

2. How do I send my report in AI Ready™?

First, form vendors and AppraisalPort customer support are available by phone and email to help you with the specifics of sending your first AI Ready™ report to your client. You may also look at the URL http://www.aiready.com/vendormatrix.asp. On that web site, select the "Viewing Options" drop-down menu and pick your forms package. Afterwards, a new page will appear. The question "How do I upload to AppraisalPort and/or DataExpress?" should give you the basic steps necessary to begin the process in your forms software package.

The next step is the same for all AI Ready™ report uploads. The appraiser will be shown the FNC Envelope Uploader. After performing a review of appraisal report contents, you may select the drop down arrow next to the word "Send" and select "Upload to AppraisalPort." A pop-up will appear showing all of your AppraisalPort orders. HIghlight the correct order corresponding to your appraisal report and select the "OK" button. The upload to AppraisalPort will proceed with a progress bar displaying the remaining time estimate for the upload. Once complete, a receipt of the successful upload will be displayed.

To show additional instructions on using the FNC Envelope Uploader, you can also view the help guide. To find it on the FNC Envelope Uploader on the menu bar, look for the down arrow to the right of the "?" character. Click on the down arrow to see the help menu. Select "Help" to show additional instructions.

3. What is AI Ready™? And how is it different from sending a PDF?

AI Ready™ is a certification given to forms software packages certifying that they comply with the Appraisal Institute's residential data storage and transmission standard. All software and Web interfaces consistent with the AI Ready™ Standard can be marked with the AI Ready™ logo (under appropriate license/use agreements), indicating they can read and write to the same standard XML format.

Before the creation of the AI Ready™ Standard, there was no industry standard for either appraisal transmission or storing appraisal data. FNC's Open Appraisal Document Interface (OADI) was designed as an interface specification for the transfer of proprietary appraisal data formats into the open AI XML (part of AI Ready™) standard and vice versa. The interface provides appraisal document software companies with a simple process for translating their data into the standard format (through a common application programming interface (API)).

With several years experience, most mortgage lenders, appraisers, and other real estate professionals have already seen that appraisal data becomes more useful as it is standardized across the many software platforms used by appraisers and other appraisal service providers. Use of the AI Ready™ Standard ("AI Ready™") has allowed appraisers and others to work comfortably within their favorite appraisal forms software, yet transmit their appraisals in an open standard non-proprietary form that is readily accepted by their lender clients.

<u>Are there any potential disadvantages</u> to using AI Ready™ (or for that matter any data standard, such as the MISMO standards for appraisals)? No. But, don't forget, the standards are data standards, they focus all of their efforts on preserving the data itself and not as much on the presentation. For appraisers who favor using custom fonts and formatting, that formatting is not included in the data itself (such as bold face, italics and so on), much as when a highly formatted e-mail is sent to a BlackBerry® user, who sees only the words, but not the formatting. Every character is preserved-so no one is misled, but the special formatting disappears.

Appraisers who wish to preserve the formatting of their presentation always have the option to transmit their appraisals in the Portable Document Format (PDF). (Note: Appraisers should check with their clients prior to submitting a PDF; some lender clients require submission of files using the AI Ready™ Standard.)

4. What are the benefits of sending AI Ready™ for me the appraiser and the client?

As appraisers and banks know, time is money. The AI Ready™ benefits to the appraiser are faster response from the lender on accepting reports or requesting additional information to close out the order faster. The client has the benefit of performing automated processing of the report at some level, which reduces their costs dramatically in many cases.

Why is that such a big deal?   Consider what your client did prior to AI Ready™ technology. Lender clients would hire several staff members to perform manual reviews. For any automated audit or review tasks, they would hire additional staff to read the report and manually type in data from a few key fields. These were significant costs to the bank.

5. Is there a fee for AI Ready™?

Since 1999, the AI Ready™ standard is free for implementation by any forms software vendor after signing the AI Ready license. For the appraiser, the forms software vendor may charge a fee for the AI Ready™ module/component. Please contact your forms software vendor to receive current pricing.

6. What forms are supported by AI Ready™? How do I know which forms in my software package are AI Ready™?

AI Ready™ supports all of the major forms supplied by Fannie Mae in the 2005 release as well as several older Fannie Mae forms. In addition, AI Ready™ supports a variety of common minor forms, common meaning the form is identical or similar across all forms software packages. To view a list of minor forms and major forms, please visit http://www.airready.com/vendormatrix.asp.

 AI Ready™ supports a host of photos and maps which include 6 subject photos, 12 sales comparable photos, 9 listing comparable photos, 99 additional photos (3/page). Regarding maps, FNC supports 5 location maps, 5 sketches/floorplans, 5 plat maps and 50 additional maps. Additional maps can serve 2 roles: (1) an actual single image map or (2) a single page image to display items such as the appraiser's license page, MLS data, etc. Lastly, AI Ready supports 10 text addenda.

In the event that you do not see a supported form, please contact the FNC support desk. FNC is interested in expanding the AI Ready™ forms needed by appraisers.

7. Is AI Ready™ USPAP compliant?

Yes. The AI Ready™ Standard is in complete compliance with USPAP. It was developed by the Appraisal Institute in association with FNC as a benefit for appraisers, recognizing the importance to all appraisers of USPAP compliance.

With respect to the use of a data standard, the most important concern for appraisers (outside the quality of their work, of course) is to be sure their prepared appraisal is delivered to their clients without alteration. The mechanisms in the Uploader and AppraisalPort that manage the process for preparing and sending AI Ready™ certified software versions of appraisals give appraisers a chance to view their work as it will be seen by their clients through the viewer in the Uploader. This includes the signature portion of the appraisal. That way, the appraiser can be assured that their work is being delivered intact to their client and is not somehow misleading.

But what about the changes in format? As described above, data standards such as AI Ready™ or MISMO preserve all of the data, but do not preserve any special formatting, such as bold face, italics or unique fonts. USPAP addresses this question directly in the comment to Standard 2: *"STANDARD 2 does not dictate the form, format, or style of real property appraisal reports. The form, format, and style of a report are functions of the needs of intended users and appraisers. The substantive content of a report determines its compliance."*

Still, appraisers who are concerned specifically about that part of the presentation of the appraisal and how it might better reflect their intent always have the option to transmit a PDF version of their appraisal instead. AI Ready™, while preferred, is entirely optional with AppraisalPort. Remember that some lender clients do require AI Ready™ files. Check with your clients to be sure.

8. How do I get more photos or a new form in AI Ready™ format?

In question 6, we listed the AI Ready™ photo limits. Each form vendor may elect to support a subset of the AI Ready™ photo limits. For example, form vendor X could support all the maps but instead of 99 additional photos, form vendor X may support only 12 additional photos.

To resolve, please contact our support desk to determine the photo and map limits for your forms package. If the form vendor limit is at the AI Ready™ limit, and appraisers feel that more photos are necessary, FNC can certainly raise the count and work with form vendors to expand their AI Ready™ photo support as well.

9. How do I send my invoice separately in AI Ready™?

Simply include the invoice in your AI Ready™ appraisal. The client can elect to view only the invoice from the AI Ready™ file (i.e., ENV) or the entire appraisal. The invoice does not need to be a separate submission with AI Ready™ ENV files.

10. What is the URL? And what id and password do I enter?

For uploading your AI Ready™ report, the id and password will be your AppraisalPort id and password. The URL for uploading to AppraisalPort is https://www.AppraisalPort.com/xport/oadi/receive_env.aspx. To check your URL inside the FNC Envelope Uploader, click on the down arrow next to the question mark and select "Submit Trouble Ticket …" from the drop down menu. This page will confirm the URL setup for the FNC Envelope Uploader and report any potential typos in the URL.

11. How do I remove pages I don't want sent?

FNC recommends exiting out of the FNC Envelope Uploader and removing the pages from your report inside your forms software package. This mirrors what most appraisers do when needing to modify appraisal reports being delivered in the PDF format.

12. Why are all the forms and pages not AI Ready™?

Good question. Forms software vendors have done a very good job of supporting the needs of appraisers for many years. When an appraiser has wanted a unique form or custom form, the form vendors have added these forms in many cases. These custom forms can be found in each forms software package, but they do not show up across all forms packages.

With AI Ready™, the goal has been to support common forms that are identical or very similar across the majority of forms packages. We also support new forms from Fannie Mae, Freddie Mac and/or your clients.

A separate issue can be that AI Ready™ supports a form, but your forms software vendor does not support the AI Ready™ version at this time. In those cases, we encourage the appraiser to contact your form vendor and request support for that form. You can visit http://www.airready.com/vendormatrix.asp for a list of all the AI Ready™ forms (separate from the photo/map pages) which are supported by your forms vendor.

For any form that is not on the list, please contact FNC customer support to request that we consider adding it. If this is a common form found in the majority of forms software packages, we can add that in future AI Ready™ releases to the form vendors.

13. Why is the format of the report changed in AI Ready™?

The AI Ready™ standard is a data standard so the focus is on preserving the data itself and not as much on the identical presentation when compared to the PDF of your report from a particular forms package. For appraisers who favor using custom fonts and formatting, that formatting is not included in the data itself (such as bold face, italics and so on), much as when a highly formatted e-mail is sent to a BlackBerry® user, who sees only the words, but not the formatting. Every character is preserved-so no one is misled, but the special formatting disappears.

Appraisers who wish to preserve the formatting of their presentation always have the option to transmit their appraisals in the Portable Document Format (PDF). (Note: Appraisers should check with their clients prior to submitting a PDF; some lender clients require submission of files using the AI Ready™ Standard.)

14. Does FNC take out part of the report for our use?

No. The appraisal is delivered to AppraisalPort from the appraiser and then on to your client. What the client does with the report will vary but no data or images from the appraisal are extracted or in any way used by FNC.

15. Why does AI Ready™ change the order of my pages?

The AI Ready™ standard focuses on a consistent page layout of the appraisal report. The benefit is seen on the client side when performing a manual review. The client processors will see time efficiency gains by finding appraisal report information in a consistent layout.

16. What type of bank form does the AI Ready™ process populate?

The lenders receiving an AI Ready™ appraisal report will see the same form that you see in the preview window of the FNC Envelope Uploader prior to the upload of your report to AppraisalPort. FNC also has clients who will create proprietary review forms using data from the appraisals but that is done regardless of the appraisal report format being PDF, AI Ready™ or other.

17. Where can I find a list of common "work arounds" or differences between AI Ready reports and PDFs generated from an appraisal forms package?

You can find information on how the AI Ready PDF compares to the PDF generated from your forms package along with common work arounds at https://www.aiready.com/convpdf/aipdfdetails.pdf.