
WJB Mortgage Services, LLC

Vendor Management Services (VMS) Program

Service Level Agreement (SLA)

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Vendor Management Services (VMS) Program

Service Level Agreement (SLA)

1 Introduction

This Service Level Agreement (SLA) lays the foundation for a common understanding between WJB Mortgage Services, LLC (“WJB”) and an VMS-registered appraiser (“appraiser”) engaged by WJB for property valuation services by establishing:

- Mutually agreed-upon service level expectations and standards;
- The standards of quality to be met and maintained in the performance of contracted property valuation services;
- The methods for compliance with the WJB *VMS Policies & Standards* of which this SLA is an incorporated document.

To lay that foundation, this SLA addresses the:

- Purpose and scope of the agreement, the parties to the agreement, and assumptions underlying the agreement;
- Services elements to be performed and the work products to be developed and delivered;
- Service tracking and reporting for assessing and communicating service quality-of-performance;
- Service standards for ensuring quality of performance and professional conduct;
- Alterations to service levels due to extenuating circumstances.

2 Purpose

The purpose of this SLA is to define the rules of engagement between WJB and VMS-registered appraisers contracted by WJB to provide property valuation services in support of WJB’s processing of mortgage loans. These rules of engagement establish the

base level of service and prescribe the methods for ensuring a consistent level of service and quality of performance.

3 Scope

The scope of this SLA extends to the service level expectations and standards that WJB has established for VMS-registered appraisers contracted by WJB for the performance of property valuation services and the development and delivery of completed appraisal product reports.

As warranted by the specific requirements of the contracted services, the scope of this SLA may be extended by supplementary agreements and/or special order instructions to address specific or exceptional service performance requirements for a particular appraisal assignment beyond the base-level standards detailed in this SLA.

This SLA is valid for the term of the contracted engagement between WJB and an VMS-registered appraiser as subject to the conditions specified herein.

4 Parties to the Application of the SLA

The parties to this SLA are defined upon WJB's awarding of an order for property valuation services to the most qualified appraiser in the VMS Registry for the particular order. These parties are:

- The VMS-registered appraiser awarded and assigned to the order for property valuation services;
- WJB as the client contracting those services;
- Any third-party agents acting of behalf of the appraiser or WJB.

5 Assumptions

This SLA is based on the following assumptions:

- All occurrences of the term "appraiser" refers to a person who is lawfully certified or licensed by the state in which the contracted property valuation services are to be performed and who is registered in the WJB VMS Program;

- The appraiser understands, acknowledges, and agrees to the terms and conditions of the WJB *VMS Policies & Standards* of which this SLA is an incorporated document;
- All times-of-performance for service items expressed in business hours are calculated based on the business hours of 9:00 am to 5:00 pm Mountain Time.
- All times-of-performance for service items expressed in business days are calculated based on a five-day business week of Monday through Friday.

6 Service Elements and Work Products

This section establishes the service level expectations and standards for individual service elements and work products. The service elements are in process sequence with a few exceptions such as the service element in Subsection 6.17 "Notification of Service Quality Issues" which may occur at any time in the process sequence.

6.1 Bidding on an Appraisal Order Opportunity

Once the VMS staff receives an appraisal order from its loan processing organization, the VMS staff will post the order opportunity to qualified candidate-appraisers from the Registry. Candidates will be qualified by service area.

The appraisal order opportunity will include the following information:

- Appraisal product type
- Subject property type
- Subject property locality information (state/county/city/zip code only)
- Associated fee from VMS Fee Schedule

The candidate-appraisers will bid on the order opportunity by quoting a date on which they can deliver the completed report. The VMS staff will close the bidding four (4) hours after posting the order opportunity to the list of candidate-appraisers.

Table 6-1. Bidding on an Appraisal Order Opportunity

Service Element	Expectation/Standard	Performed By
Bidding on an appraisal order opportunity	Within four (4) business hours of posting	Appraiser

6.2 Awarding an Appraisal Assignment

Others factors being equal, the appraiser who bids the earliest delivery will be awarded the appraisal assignment. The VMS staff will forward an award packet to the appraiser with the information needed to begin fulfilling the order assignment:

- Appraisal product type
- Subject property type
- Complete subject property location information
- Contact information of property owner (or agent) for inspection appointment scheduling
- Real estate purchase contract
- Confirmation of fee amount and the as-bid appraisal report delivery date
- Any special order instructions

Table 6-2. Awarding an Appraisal Assignment

Service Element	Expectation/Standard	Performed By
Awarding of appraisal assignment and forwarding of award packet of order information	Within two (2) business hours of closing bid process	WJB

6.3 Accepting an Appraisal Assignment

Upon notification of award and the receipt of the award packet of order information, the appraiser will acknowledge and accept the awarded appraisal assignment.

Table 6-3. Accepting an Appraisal Assignment

Service Element	Expectation/Standard	Performed By
Accepting an appraisal assignment	Within one (1) business hour of notification of award	Appraiser

6.4 Rejecting an Appraisal Assignment

If between the time of bidding on the order opportunity and the receipt of the award packet, intervening circumstances require the appraiser to reject the assignment, the appraiser must promptly notify the VMS staff of the fact and the circumstances.

If upon receipt of the award of the appraisal assignment, the appraiser does not notify the VMS staff of acceptance within the expected time frame specified in Section 6.3

“Accepting an Appraisal Assignment,” the VMS staff will assume the assignment has been rejected and will award the assignment to the runner-up candidate-appraiser.

Rejecting an assignment by a “no-response” to the award notification may adversely affect a registered appraiser’s quality-of-performance rating.

Table 6-4. Rejecting an Appraisal Assignment

Service Element	Expectation/Standard	Performed By
Rejecting an appraisal assignment	Within one (1) business hour of notification of award	Appraiser

6.5 Scheduling and Reporting the Inspection Date

Upon accepting the awarded appraisal assignment, the appraiser will use the contact information in the order award information packet to schedule an inspection date with the property owner or agent and report that date to the VMS staff.

Table 6-5. Scheduling and Reporting the Inspection Date

Service Element	Expectation/Standard	Performed By
Scheduling the inspection date and reporting that date to the VMS staff	Within eight (8) business hours of accepting appraisal assignment	Appraiser

6.6 Inspecting the Subject Property

The appraiser is expected to keep the inspection appointment and to perform the inspection on the scheduled and reported date.

Table 6-6. Inspecting the Subject Property

Service Element	Expectation/Standard	Performed By
Inspecting the subject property	On or before the scheduled inspection date	Appraiser

6.7 Rescheduling the Subject Property Inspection

If, due to intervening circumstances, the appraiser is unable to keep the scheduled inspection appointment, the appraiser is expected to promptly notify the property owner/agent and reschedule a new inspection appointment date. The appraiser is expected to notify the VMS staff of the rescheduling of the inspection appointment date, the circumstances necessitating the rescheduling, and the impact, if any, on the as-bid report delivery date.

Table 6-7. Inspecting the Subject Property

Service Element	Expectation/Standard	Performed By
Rescheduling the subject property inspection	On or before the scheduled inspection date	Appraiser

6.8 Reporting the Subject Property Inspection

Upon completion of the subject property inspection, the appraiser is expected to report this status to the VMS staff.

Table 6-8. Reporting the Subject Property Inspection

Service Element	Expectation/Standard	Performed By
Reporting the completion of the subject property inspection to the VMS staff	Within four (4) business hours of completing the inspection	Appraiser

6.9 Developing the Appraisal Report

WJB does not prescribe a methodology for the development of the appraisal product report. WJB does require, however, that any methodology chosen and employed by the appraiser be fully compliant with the *Uniform Standards of Professional Appraisal Practice (USPAP)* and other incorporated documents of the *VMS Policies & Standards* and meets all applicable Freddie Mac,¹ Fannie Mae,² VA,³ and FHA⁴ requirements.

Table 6-9. Developing the Appraisal Report

Service Element	Expectation/Standard	Performed By
Developing the appraisal product report	Fully compliant with the <i>VMS Policies & Standards</i> and its incorporated documents including the USPAP	Appraiser

6.10 Delivering the Completed Report

Upon the completion of the appraisal product report, the appraiser will promptly submit the completed report to the VMS staff.

¹ Federal Home Loan Mortgage Corporation

² Federal National Mortgage Association

³ Department of Veterans Affairs Home Loan Guaranty Services

⁴ Federal Housing Administration

Table 6-10. Delivering the Completed Report

Service Element	Expectation/Standard	Performed By
Delivering the completed report	On or before the as-bid delivery date	Appraiser

6.11 Notification of Product Quality Issues

The VMS staff will promptly notify the appraiser of any product quality issues discovered in its own quality control process as well as product quality issues discovered by the loan processing and underwriting functions of WJB.

Table 6-11. Notification of Product Quality Issues

Service Element	Expectation/Standard	Performed By
Notification of service quality issues	Promptly upon discovery	WJB

6.12 Correction of Product Quality Issues

Upon notification of product quality issues by the VMS staff, the appraiser will correct and resubmit the appraisal product report.

Table 6-12. Correction of Product Quality Issues

Service Element	Expectation/Standard	Performed By
Correction of product quality issues and resubmission of appraisal product report	Within eight (8) business hours	Appraiser

6.13 Submitting the Appraisal Services Invoice

The appraiser is expected to submit the invoice for services rendered with the delivery of the completed appraisal product report.

Table 6-13. Submitting the Appraisal Services Invoice

Service Element	Expectation/Standard	Performed By
Submitting the invoice for appraisal services rendered	With delivery of completed appraisal report	Appraiser

6.14 Payment of Submitted Invoice

Upon receipt and review of the completed appraisal product report and the associated invoice, the VMS staff will authorize payment and the appraiser will be paid by an electronic transfer of funds transaction to his/her business bank account on a net 30 schedule based on the date of the receipt of the completed report and the invoice. The invoice that an appraiser submits to WJB for fulfilled appraisal order assignments must show the fee quoted in the appraisal order bid as determined by the current VMS Fee Schedule. The amount that WJB credits to the appraiser's bank account via EFT transaction will be net 85% of that fee. WJB retains 15% for its transaction services

Table 6-14. Payment of Submitted Invoice

Service Element	Expectation/Standard	Performed By
Payment of submitted invoice to appraiser via electronic transfer of funds (EFT)	Net 30	WJB

6.15 Rating Quality of Performance

By meeting the service level expectations and standards of each service element, appraisers will satisfy the base-level quality-of-performance service expectations and standards for the overall performance of the appraisal assignment. By exceeding the base-level expectations and standards, appraisers have the opportunity to improve their quality of service rating which is based on cumulative past performance.

Table 6-15. Rating Quality of Performance

Service Element	Expectation/Standard	Performed By
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Service Element	Expectation/Standard	Performed By
Rating the quality of the performance of the appraisal assignment	Within two (2) business days of the receipt of the completed appraisal product report and invoice	WJB

6.16 Delivering a Copy of Report to Borrower

Per HVCC requirements, WJB is required to provide a copy of the completed appraisal product report promptly upon its delivery from the appraiser but no later than three (3) calendar days prior to the loan closing unless the borrower waives the requirement.

Table 6-16. Delivering a Copy of Report to Borrower

Service Element	Expectation/Standard	Performed By
Delivering a copy of the completed appraisal report to the borrower	Promptly upon receipt of the completed report but no later than three (3) calendar days prior to loan closing	WJB

6.17 Notification of Service Quality Issues

At any time during the performance of the appraisal assignment, all parties to the contracted engagement – the appraiser, WJB, and any third-party agents acting on behalf of either party – are expected to notify the VMS Compliance Control staff promptly when the quality of performance is compromised by adverse circumstances, misconduct, and/or perceived misconduct.

Table 6-17. Notification of Service Quality Issues

Service Element	Expectation/Standard	Performed By
Notification of service quality issues	Promptly notify the VMS Compliance Control staff	All parties

6.18 Correction of Service Quality Issues

Due to the variable nature and timing of circumstances that may compromise the quality of performance, expectations or standards for correcting service quality issues cannot be quantified. It is expected, however, that all parties will act in concert and in a prompt, responsive, and professional manner to correct service quality issues.

Table 6-18. Correction of Service Quality Issues

Service Element	Expectation/Standard	Performed By
Correction of service quality issues	Prompt, responsive, and professional	All parties

7 Service Standards

It is beyond the scope of this SLA to address all of the appertaining standards of quality and professionalism that apply to the performance of an appraisal assignment. For a comprehensive identification of all such standards, refer to the *VMS Policies & Standards* and its incorporated documents.

7.1 Quality-of-Performance Standards of Service Elements

The VMS Program has been designed to ensure overall quality of performance through the conformance to the quality standards established at the service element level.

By meeting the service level expectations and standards of each service element, appraisers will satisfy the base-level quality-of-performance service expectations and standards for the overall performance of the appraisal assignment. By exceeding the base-level expectations and standards, appraisers have the opportunity to improve their quality of service rating based on cumulative past performance.

Quality issues are tracked and trended by the VMS Compliance Control staff to assess overall program quality as well as the quality-of-performance ratings of VMS-registered appraisers.

Refer to Section 6, “Service Elements and Work Products” for the descriptions of quality-of-performance standards for the individual service elements.

7.2 Professional Conduct

Due to implied representation, WJB expects appraisers, while under contract for appraisal assignments, to conduct themselves with professionalism and proper courtesy.

7.3 Professional Attire

Due to implied representation, WJB expects appraisers, while under contract for appraisal assignments, to dress in professional attire when performing inspections.

8 Quality-of-Performance Monitoring and Reviews

The VMS staff monitors the quality of performance throughout the execution the appraisal assignment – from the awarding of the appraisal assignment to the delivery of the completed report and invoice. Upon completion of the assignment, the VMS staff will conduct a postmortem review of the overall quality-of-performance of the assignment.

8.1 Service Element Quality-of-Performance Monitoring

Over the course of the performance of the appraisal assignment, the VMS staff will monitor in-progress levels of service at the service element level. When a failure to meet expectations and standards occurs, the VMS staff will work with the appraiser to mitigate any consequences of the failure and will take the steps necessary to prevent recurrences.

8.2 Quality-of-Performance Reviews

The VMS staff will conduct postmortem quality-of-performance reviews of all completed appraisal assignments. In addition to comparing the expected versus actual performance results for each service element, the VMS staff will assess other quality factors such as overall professionalism, accuracy and completeness of the delivered appraisal report, and severity of any failures to meet expected service levels.

9 Alterations to Service Levels

If requirements of a particular appraisal assignment warrant an alteration to the service levels established by this SLA, affected service elements may be renegotiated, by mutual agreement, in part or in whole, and/or supplemented with special order instructions.

If extenuating circumstances arise that adversely affect the appraiser's ability to meet service level expectations and standards, and if such circumstances were not the result of negligence on the part of the appraiser, affected service elements may be renegotiated, by mutual agreement, in part or in whole, and/or supplemented with special order instructions.