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Appraisal Review Techniques

FOR SINGLE FAMILY HOUSING

Arch MI academy

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This module is intended to give guidance on the review of a single-family appraisal. This module does not however, infer salability of the collateral. Refer to investor guidelines and/or Arch Mortgage Insurance Company underwriting guidelines for specific collateral requirements.

This appraisal review techniques discussion is based on the forms currently in use in the residential mortgage market. However, new forms or new versions of existing forms, may be published over time, and it is important for the loan underwriter, appraiser and other mortgage industry professionals to use current forms for each loan.

INTRODUCTION TO APPRAISAL REVIEW FOR SINGLE-FAMILY RESIDENCES

Uniform Residential Appraisal Report Fannie Mae Form 1004/Freddie Mac Form 70

A critical step in the mortgage origination process is the review of the property appraisal report. The evaluation of the property is a vital component in the analysis of a mortgage as the collateral is the ultimate security for the loan. Underwriters are expected to place as much emphasis on appraisal review as they do on qualifying the borrower's creditworthiness. Mortgage underwriters must have a solid understanding of the appraisal process and they should also be versed in Fannie Mae and Freddie Mac requirements and procedures so the loan package will be eligible to these agencies. Because the lender is generally accountable to Fannie Mae, Freddie Mac or any other secondary market investor for the accuracy of the appraisal, the ultimate responsibility falls on the mortgage underwriter.

- **Lender**
  Lenders are responsible for selecting an appraiser who has the knowledge and experience required to perform a professional-quality appraisal in a specific geographic location for the particular property type for which the lender needs an appraisal. The appraiser must also have knowledge about, and access to, the necessary and appropriate data sources for the area in which the appraisal assignment is located. Lenders are solely accountable for the performance of the appraisers they select and must make all required representations and warranties related to the appraisal and condition of the property.

- **Appraiser**
  The appraiser is to provide complete and accurate reports; to report neighborhood and property conditions in factual and specific terms; to be impartial and specific in describing favorable or unfavorable factors; and to avoid the use of subjective, racial or stereotypical terms, phrases or comments in the appraisal report. The opinion of value must represent the appraiser's professional conclusion based on market data, logical analysis and judgment.

- **Underwriter/Reviewer**
  It is the underwriter's responsibility to review the appraisal in its entirety for completeness, accuracy and consistency to ensure that it provides an adequate determination of property value, regardless of what message is received from any automated underwriting system or other collateral assessment tool.

When an appraisal report is deficient, additional clarification of information or methodology must be requested from the appraiser to make an informed decision. The estimate of value must be based on adequate data, logical analysis and judgment, and it must present a clear and reasonable conclusion.

This training module is designed to convey basic appraisal theory and techniques that will provide the reviewer with a basis for appraisal review applications.

The most widely used and universally accepted appraisal form is the **Uniform Residential Appraisal Report (URAR)**, also known as Fannie Mae Form 1004/Freddie Mac Form 70. The URAR, which is six pages long, is considered the industry standard for appraisals. The first page of the URAR identifies the subject property and provides the reviewer with a complete picture of the subject's sales contract, neighborhood, site and improvements along with commentary on characteristics that affect the subject's value. The second page presents the valuation section or the Sales Comparison Approach, Reconciliation and value conclusion. The third page provides optional Cost and Income Approaches to value and project information, if applicable. The remaining next two pages display the appraiser's Scope of Work, Statement of Assumptions and Limiting Conditions and the appraiser's Certification and Signature sections.

Accordingly, the scope of Chapter 1 of this module is limited to the use of the URAR for single-family residential appraisals and what follows is a section-by-section description of the URAR. Chapter 1 is intended to describe the data and commentary that is expected in each section and highlight some common issues that may arise in the review of a URAR.

Samples of the appraisal forms discussed in this manual are included in Chapter Two.

> The **IMPORTANT NOTES** will call attention to concerns and common issues that may surface during the review of an appraisal.

CHAPTER ONE

UNIFORM RESIDENTIAL APPRAISAL REPORT

Page 1 — URAR

PURPOSE: The first line item on Page 1 of the URAR describes the purpose of the appraisal report, the intended user and refers to market value. Although there are numerous definitions of value, the definition of market value is of key importance in the residential mortgage appraisal process.

From the appraiser's viewpoint, market value is defined as follows: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specific date and passing of title from seller to buyer under the following conditions:

- Buyer and seller are typically motivated.
- Both parties are well-informed or well-advised, and each party is acting in what they consider their own best interest.
- A reasonable time is allowed for exposure in the open market.
- Payment is made in cash or its equivalent.
- Financing, if any, is on terms generally available in the community, at the specified date and typical for the property type in its locale.
- The price represents a normal consideration for the property sold unaffected by special financing amounts and/or terms, services, fees, costs or credits incurred in the transaction.

The purpose of this section is to identify the subject property, to describe the property rights to be appraised, assignment type, lender/client and data sources. Often the basic information requested is not available to the appraiser unless provided by the lender or obtained by direct review of the title documents.

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.			
Property Address	City	State	Zip Code
Borrower	Owner of Public Record	County	
Legal Description			
Assessor's Parcel #	Tax Year	R.E. Taxes $	
Neighborhood Name	Map Reference	Census Tract	
Occupant ☐ Owner ☐ Tenant ☐ Vacant	Special Assessments $	☐ PUD HOA $	☐ per year ☐ per month
Property Rights Appraised ☐ Fee Simple ☐ Leasehold ☐ Other (describe)			
Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☐ Other (describe)			
Lender/Client	Address		
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☐ No			
Report data source(s) used, offering price(s), and date(s).			

The appraisal must clearly identify the subject property by stating the complete:

Property Address — Within this section, the appraiser must identify the subject by its complete property address, which includes the physical street location, city, state and ZIP code. A post office box (P.O. Box) is not an acceptable address.

Borrower — The individual or individuals applying for the mortgage on the subject property.

Owner of Public Record — The owner of the property according to the records of the county or other governmental jurisdictions such as a township, borough or parish. If the transaction is a purchase, this should be the seller as listed on the sales contract. If the transaction is a refinance, this should be the borrower.

County — This will typically indicate where the subject property is located and the recording jurisdiction.

Legal Description — A method of geographically identifying a parcel of land, that is acceptable in a court of law. If the legal description is lengthy, it may be attached to the appraisal report.

Assessor's Parcel Number (APN) — The APN is the county's tax identification number for the property. In some cases, the subject property may consist of more than one parcel with two or more APN numbers. In other instances, the property may be new or proposed construction and an APN has not yet been issued. In these cases, the APN field may be blank or the appraiser has indicated "None." A few markets do not use APN numbers, but it is still necessary to report the level of similar alternative information in these areas for this item.

Tax Year — The current or last reported tax assessment year for the subject property.

R. E. Taxes $ — This field contains the current or last reported real estate tax assessment on the property. This field should contain the dollar amount of annual taxes levied on the property.

Neighborhood Name — This descriptive field helps to further identify the property by naming the subdivision, development, project or neighborhood district where the property is located.

Map Reference — Another method for locating the subject property often associated with local area maps (such as Thomas Brothers Maps, Hagstrom Maps, Multiple Listing Service (MLS) and others) or reference materials.

Census Tract — Another method for approximate location of the subject property within a geographic area, based on population thresholds as established by the U.S. Census Bureau. Census Tract geographic areas also have applications for Home Mortgage Disclosure Act (HMDA) reporting.

Occupant — This field indicates whether the current occupant of the property is the owner or tenant, or if the property is now vacant.

Special Assessments $ — This field is reserved for any taxes, bonds or levies against the property aside from real estate taxes and homeowner association (HOA) or project dues and fees, which can vary in type from region to region. These assessments are typically for municipal improvement bonds or development surcharges and could include such items as water and sewer improvements, street lighting and park and recreation development. These fees are typically annualized and paid over a period of years (for example, from five to 25 years). If the subject has a large special assessment and the comparables do not, then an adjustment is likely in order in the Sales Comparison Approach on Page 2 of the URAR.

PUD — This checkbox is checked if the subject is located in a Planned Unit Development (PUD).

- **PUD** — A type of residential, commercial or industrial development (or a combination thereof) in which the improvements are clustered in a pre-designed layout that includes common areas. Individual properties (the land and attached improvements) are owned in fee, while the common areas are placed in joint ownership. The common areas can consist of any number of items, but typically include greenbelt areas, private streets, parking facilities and recreation amenities. There are usually mandatory fees or dues assessed to the property owner for maintenance of these common areas.

IMPORTANT NOTE: PUD denotes a type of land use. It does not describe the physical characteristics of an individual property. It can also describe a type of ownership as individually owned properties located within PUD developments. One of the key characteristics of PUD ownership is that some portion of the land is actually included in the ownership rights of the subject. Other types of ownership, such as condominiums and cooperatives, typically do not include individual ownership of land, which is owned in common by all individual unit owners.

HOA $ — This field records the dollar amount of homeowners association (HOA) dues that are paid for the maintenance of common areas in PUD and condominium ownership. This is reported as either a per-year or a per-month figure as indicated by the box the appraiser checks.

Property Rights Appraised — The concept of "rights" refers to the degree and type of ownership interest in the subject property. The broadest categories are:

- *Fee Simple* — This denotes ownership of all the bundle of rights in a parcel of real property (such as the right to use the real estate, to sell it, to lease it, to give it away or the option to choose to exercise all or none of these rights), subject only to the limitations of the powers of government.

- *Leasehold* — The right of use and occupancy of a property for a stated term under prescribed circumstances by virtue of a lease agreement.

Assignment Type — This provides the reviewer with information on the type of transaction associated with the subject property and appraisal, either Purchase, Refinance or Other. If Other is chosen, a description is required.

Lender/Client — Generally indicates who ordered the appraisal report and who the intended users are. The Lender/Client should be the submitting lender or third-party originator.

Address — This refers to the lender's address. Comparison of the lender address to that of the appraiser's and subject's addresses can be revealing as to the level of local market knowledge and motivations applied to the appraisal. Detailed address information for the appraiser is located on Page 6 of the URAR.

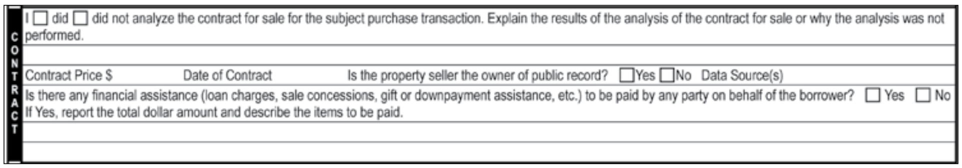
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? □ Yes □ No — The appraiser must research and indicate if the property has been offered for sale within 12 months prior to the effective date of appraisal.

Report data source(s) used, offering price(s), and date(s) — If offered for sale, the listing details should be provided regarding the source of this data, typically from local MLS, including list price and dates. The appraiser must also enter the days on market (DOM) for the subject property.

This section of the appraisal report provides information on the current purchase contract for the subject property being appraised.

I □ did □ did not analyze the contract for sale for the subject purchase transaction, etc. — First section provides input from the appraiser to indicate that he or she did or did not analyze the subject's purchase or sales agreement; and includes several spaces to explain the analysis, and if not analyzed, why not. The appraiser must also indicate the type of sale for this transaction (for example, real estate owned (REO) sale, estate sale, arm's length sale, etc.)

Contract Price — This represents the subject's agreed-to sale price from the sales contract or purchase agreement.


CONTRACT
I □ did □ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.
Contract Price $ Date of Contract Is the property seller the owner of public record? □Yes □No Data Source(s)
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? □ Yes □ No
If Yes, report the total dollar amount and describe the items to be paid.

Date of Contract — This represents the contract date from the sales contract or purchase agreement.

Is the property seller owner of public record? □ Yes □ No; Data Source(s) — This is an important item and should match with the similar item within the Subject section above. If these two items do not match, then this should be further researched and clarified.

Is there any financial assistance (loan charges, sales concessions, gift or down payment assistance, etc.) to be paid by any party on behalf of the borrower? □ Yes □ No; If Yes, report the total dollar amount and describe items to be paid — This information should indicate whether there are any loan charges, sales concessions or gifts paid by seller (or any other party who has a financial interest in the sale or financing of the subject property). The existence of this activity may indicate soft market conditions or marketability issues associated with the subject, especially if not normal and customary for the market. Some of these items or activities may also have a direct impact on the subject's appraised value. The question above further stresses the importance of the appraiser obtaining and analyzing a complete copy of the purchase agreement.

This section introduces information on the subject property's location within the surrounding area or neighborhood. The purpose of the neighborhood analysis is to identify a contiguous area that is subject to the same influences (based on common characteristics, trends, price, age and land use) as the subject property. The analysis should clearly define the area from which comparable sales are selected and provide boundaries such as streets, rivers, etc. The analysis should identify any characteristics that might influence market conditions of the properties within the neighborhood. The reviewer must be satisfied that the neighborhood will be acceptable to a sufficient number of buyers to support an active, ongoing market for the property.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics	One-Unit Housing Trends	One-Unit Housing	Present Land Use %
Location ☐ Urban ☐ Suburban ☐ Rural	Property Values ☐ Increasing ☐ Stable ☐ Declining	PRICE AGE	One-Unit %
Built-Up ☐ Over 75% ☐ 25–75% ☐ Under 25%	Demand/Supply ☐ Shortage ☐ In Balance ☐ Over Supply	$ (000) (yrs)	2-4 Unit %
Growth ☐ Rapid ☐ Stable ☐ Slow	Marketing Time ☐ Under 3 mths ☐ 3–6 mths ☐ Over 6 mths	Low	Multi-Family %
Neighborhood Boundaries		High	Commercial %
		Pred.	Other %
Neighborhood Description			
Market Conditions (including support for the above conclusions)			

Neighborhood Characteristics — Subsections within the Neighborhood section are displayed and discussed as follows:

- *Location* — Urban relates to a city, Suburban to an area adjacent to a city and Rural is anything beyond the suburban area. Rural areas are typically less than 25% developed and exhibit slower growth and longer marketing times than Urban or Suburban neighborhoods.

- *Built-Up* — Indicates the extent to which the neighborhood has been developed. If Under 25% is marked, the reviewer should examine the development progress and its impact on property values, and this should be addressed in detail by the appraiser.

- *Growth* — This information helps determine the current stage in the life cycle of the neighborhood. Growth is generally Rapid in new and developing neighborhoods. Once all available land is developed, growth tends to reach equilibrium or is Stable. Growth continues even in older and developed neighborhoods via a change in land use or redevelopment. There should be an adequate explanation if Slow is indicated.

One-Unit Housing Trends — Within the Neighborhood section, the following key areas are discussed:

- *Property Values* — Increasing or Declining values require comments and should correlate to Date of Sale/Time Adjustments found in the Sales Comparison Approach on Page 2 of the URAR. In a declining market, a determination should be made by the reviewer as to whether maximum financing is acceptable.

- *Demand/Supply* — There should be an adequate explanation for an Over Supply and a statement on its impact on value and marketability in the area Market Conditions comment at the end of the section.

- *Marketing Time* — If “Over 6 months” is marked, the appraisal should provide an adequate description of the subject’s marketability. Longer marketing times often indicate a possibility of declining values. There can also be a seasonal aspect associated with this item due to climatic aspects. For example, marketing times in desert areas during the summer months may be longer than in the winter.

One-Unit Housing — This field provides a description of the housing stock in the subject’s neighborhood. The appraiser should present the low and high values to establish a range for the following components:

- *Price* — The sales prices of the comparable sales and the appraised value of the subject should be within the indicated Low-High range. The appraiser should not consider isolated extremes as this indicates the low and high price range where typical sales activity occurs. If the subject’s indicated value is at the extreme upper end or outside the range established, it could indicate an over-improvement. The appraiser is expected to comment on any divergence and offer an opinion as to the impact on marketability.

- *Age* — The reviewer should expect the actual age of the subject property to be near or within the age range of other properties in the neighborhood or, if it is not, the age should be explained in the commentary at the end of this section.

- *Low/High* — This is where the appraiser puts the low and high price range where typical sales activity occurs.

- *Predominant Value* — This line should present the most frequently occurring sale price and the typical age of properties located within the subject’s neighborhood. The reviewer’s main concern is whether the subject property conforms to the neighborhood indicators.

Present Land Use % — This subsection provides the percentage distribution of land use and helps the reviewer determine whether the subject (a residential property) is negatively affected by other land uses such as multi-family, commercial, industrial, etc. The total of all uses should equal 100%.

Neighborhood Boundaries — These important comments identify a contiguous area that is subject to the same influences (based on common characteristics) as the subject. The appraiser should provide an outline of the neighborhood boundaries, which should be clearly delineated using North, South, East and West and provide specific boundaries such as major streets, hills, rivers or railroads. Comparable sales should be within these boundaries and if they're not, an explanation is required. Urban neighborhoods would typically have smaller and better-defined neighborhoods, while rural neighborhoods may be more general and larger in geographic size.

Neighborhood Description — Provides comments regarding neighborhood characteristics and identification, including boundaries, neighborhood characteristics and marketability. This may include comments on the neighborhood life cycle, land use, proximity to employment centers, amenities and any adverse environmental influences.

Market Conditions — This comment section is where the appraiser is expected to provide appropriate support for the Neighborhood Characteristics, Trends, Price and Age and Land Use categories above. Additionally, comments can also include demand and supply, marketing times and data on competitive properties in the neighborhood.

Further analysis can be found on the Market Conditions Report (Fannie Mae Form 1004MC/ Freddie Mac Form 71).

The reviewer should examine the items listed below and be assured that the property generally conforms to the marketplace. In addition, any unusual or atypical characteristics for the subject site are addressed and that any favorable or unfavorable situations have been explained by the appraiser in the comments. Ideally, the subject's site size, shape, use and amenities should be similar with those of other neighborhood properties. This section also provides an opportunity for a cross-check of several characteristics below in comparison to items on the sales grid on Page 2 of the URAR form within the Sales Comparison Approach.

Dimensions			Area			Shape	View	
Specific Zoning Classification			Zoning Description					
Zoning Compliance ☐ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)								
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? ☐ Yes ☐ No If No, describe								
Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements—Type	Public	Private
Electricity	☐	☐	Water	☐	☐	Street	☐	☐
Gas	☐	☐	Sanitary Sewer	☐	☐	Alley	☐	☐
FEMA Special Flood Hazard Area ☐ Yes ☐ No FEMA Flood Zone				FEMA Map #		FEMA Map Date		
Are the utilities and off-site improvements typical for the market area? ☐ Yes ☐ No If No, describe								
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☐ No If Yes, describe								

Dimensions — This would provide measurements for the site, typically width and depth in the case of a rectangular-shaped lot. For unusual-shaped sites, there may be multiple dimensions provided.

Area — The appraiser must report the area as square feet if equal to or less than one acre (43,560 square feet) or as acres if over one acre in size. A key consideration for this item is whether the subject's area is reasonably conforming and acceptable in the neighborhood? This is also a line item on the Sales Comparison Approach on Page 2 of the URAR.

Shape — This item would provide an indication of the shape for the subject site and would typically be rectangular, but there may be unusual site shapes as well. Neighborhood conformity and acceptance are important for this item.

View — If the subject site does in fact have a favorable view such as water, mountains, city, etc., it may add significant value compared to sites without such a view. Adverse views such as train tracks or power lines may decrease the value. View amenities can be a little tricky to quantify from an appraisal perspective and can be even more difficult to confirm during the review process. View attributes are also a line item and appear on the Sales Comparison Approach on Page 2 of the URAR. The appraiser must specify the overall view rating as Neutral (N), Beneficial (B) or Adverse (A), and provide at least one, but no more than two, view factors to provide details about the overall view rating.

Specific Zoning Classification — This would represent the specific site zoning code as established by local government. An example might be “R-1 Residential” rather than simply “Residential.”

Zoning Description — A general statement to describe what the zoning permits such as one-unit and two-unit when the appraiser indicates specific zoning such as R-1, R-2, etc. From the example above, the description could be: Residential Use — one unit on a half-acre or less. If the zoning Description includes a reference to the minimum or maximum site size, this may also provide yet another opportunity to cross-check and confirm the site size on the sales grid from Page 2 of the URAR within the Sales Comparison Approach.

Zoning Compliance — One of the most important aspects to consider for the subject’s site is Zoning Compliance. Ideally, the first checkbox, "Legal," is marked. If the improvements do not represent a legal, conforming use, the appraisal must address this issue and its impact on the marketability and value of the subject. One of the most common zoning violations is the non-permitted addition or accessory unit. Lack of zoning, or no zoning, also requires an explanation from the appraiser.

IMPORTANT NOTE: Some municipalities and many rural properties have no zoning regulations.

Is the highest and best use of the subject as improved (or as proposed per plans and specifications) the present use? □ Yes □ No If No, describe — If the answer is "No," the appraisal should provide verification that the property is suitable security for a residential loan and describe in detail. In such cases, the GSEs will likely not purchase the mortgage. "Highest and best use" is defined as that use that would produce the greatest current value. If the subject's highest and best use is not residential, then the URAR form is likely not applicable.

Utilities — Public, private or community utilities (Electricity, Gas, Water and Sanitary Sewer) must be available to the site. The utilities must meet community standards, be generally acceptable to area residents and support year-round use. If private well water and septic systems are used, they should ideally be located on the subject parcel and commentary should be provided. However, off-site utilities may be acceptable if the subject parcel has the associated right to access them and if there is a legally binding agreement for their access and maintenance.

Off-Site Improvements — Type — The reviewer should determine the type of off-site improvements (Street/Alley) that are present and determine if they are publicly or privately maintained. If the street is marked "Private," access to property should be deeded and an adequate and a legally enforceable agreement for maintenance should be available. The associated maintenance for streets may contribute to increased fees for road maintenance (such as snow plowing, road repairs or dust control with gravel).

FEMA Special Flood Hazard Area □ Yes □ No — This section, if checked "Yes," will indicate that the subject site is located within an area that has a greater than 1% chance of experiencing a 100-year flood event within the next 100 years and will typically require flood insurance over and above homeowners insurance. The reviewer should scrutinize the Special Flood Hazard Area (SFHA) as it could indicate an unacceptable location or one that requires special flood insurance.

FEMA Flood Zone — This represents the Federal Emergency Management Agency (FEMA) Flood Zone code. There are numerous codes, but typically sites located in FEMA Flood Zone with the following codes of: A, AE, AH, AO, A1-30, A-99, V, VE, VO and V1-30 will usually require flood insurance. There is a FEMA map website that can be helpful in some cases with review of flood information, at no charge, by entering the subject property's address at the FEMA Flood Map Service Center, msc.fema.gov/portal.

FEMA Map Date — Indicates how current the FEMA Map is. Using the most current maps will reflect any updated flood control projects that can impact potential flooding and the Flood Zone code classification for the subject site.

Are the utilities and off-site improvements typical for the market area? □ Yes □ No If No, describe — This section may provide confirmation and/or information on utility service and streets and alleyways that provide access to the site. If the street is marked “Private,” access to the property should be deeded and an adequate, legally enforceable agreement for maintenance should be available.

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? □ Yes □ No If Yes, describe — If “Yes,” this needs to be described as any condition specific to the subject site that would affect value or marketability of the subject property is important to know. A couple of examples are easements, encroachments, illegal zoning, slide areas, high voltage power lines, cell towers and large industrial plants located near the subject. The existence of any adverse conditions should be taken into consideration and should reappear in the Sales Comparison Approach.

The reviewer should carefully analyze this section to determine whether the subject's improvements conform to the neighborhood with regard to type, design and construction materials. The data should be consistent with the information found in the Sales Comparison section and the photos. If the property is characterized as "unique" housing and is not in conformity with the neighborhood, the reviewer must ensure that the appraisal has provided adequate information to support a reliable estimate of value.

IMPROVEMENTS

General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units ☐ One ☐ One with Accessory Unit	☐ Concrete Slab ☐ Crawl Space	Foundation Walls	Floors
# of Stories	☐ Full Basement ☐ Partial Basement	Exterior Walls	Walls
Type ☐ Det. ☐ Att. ☐ S-Det/End Unit	Basement Area sq. ft.	Roof Surface	Trim/Finish
☐ Existing ☐ Proposed ☐ Under Const.	Basement Finish %	Gutters & Downspouts	Bath Floor
Design (Style)	☐ Outside Entry/Exit ☐ Sump Pump	Window Type	Bath Wainscot
Year Built	Evidence of ☐ Infestation	Storm Sash/Insulated	Car Storage ☐ None
Effective Age (Yrs)	☐ Dampness ☐ Settlement	Screens	☐ Driveway # of Cars
Attic ☐ None	Heating ☐ FWA ☐ HWBB ☐ Radiant	Amenities ☐ Woodstove(s) #	Driveway Surface
☐ Drop Stair ☐ Stairs	☐ Other Fuel	☐ Fireplace(s) # ☐ Fence	☐ Garage # of Cars
☐ Floor ☐ Scuttle	Cooling ☐ Central Air Conditioning	☐ Patio/Deck ☐ Porch	☐ Carport # of Cars
☐ Finished ☐ Heated	☐ Individual ☐ Other	☐ Pool ☐ Other	☐ Att. ☐ Det. ☐ Built-in
Appliances ☐ Refrigerator ☐ Range/Oven ☐ Dishwasher ☐ Disposal ☐ Microwave ☐ Washer/Dryer ☐ Other (describe)			
Finished area **above** grade contains: Rooms Bedrooms Bath(s) Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.)			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).			
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☐ No If Yes, describe			
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☐ Yes ☐ No If No, describe			

General Description — This section provides various checkboxes and questions that identify the character of the residential improvements. These characteristics are fairly straightforward and include:

- Units: One or One with Accessory Unit.
- # of Stories.
- Type: Det., Att. or S-Det/End Unit.
- Existing or Proposed or Under Const.
- Design (Style).
- Year Built.
- Effective Age (Yrs).

Particular attention should be paid to the appraiser's perception of the Effective Age of the improvements, as this will have implications for other aspects of the analysis. The Effective Age should accurately reflect the overall property condition. The difference between Actual Age (age in years) and Effective Age (a buyer's perception of the home's age) is generally related to the level of maintenance. Significant variances between the two should be noted and commented on by the appraiser.

Typically, Effective Age will be less than Actual Age when regular maintenance and improvements are made to a property over the years.

Attic — This section provides for a description and utility of the attic space. The appropriate boxes should be checked indicating the type of access, finish and heating. Similar to a finished basement, this feature should not be included in the square footage or Gross Living Area (GLA) or in the room count, but can have significant contributory value.

Foundation — The reviewer should note the materials and construction techniques for the foundation and, if applicable, the information provided on the subject's basement. Information provided in the Foundation subsection is illustrated below:

- Concrete Slab.
- Crawl Space.
- Full Basement.
- Partial Basement.
- Basement Area in square feet.
- Basement Finish as a percentage of basement area.

It is possible for a foundation to comprise a combination of various foundation types shown above. The appraisal should identify each type that is applicable to the subject. Any foundations that involve wood products and earth contact are not acceptable.

The checkbox items below represent the existence of several basement-related categories that, if they exist, may have an impact on value, marketability and structural integrity of the structure. The existence of a sump pump and especially any signs of dampness and or infestation should be addressed in more detail via commentary in the condition and physical efficiency comments below. These may require additional inspections by experts in these various categories.

- Outside Entry/Exit.
- Sump Pump.
- Evidence of Infestation, Dampness or Settlement.

Heating and Cooling — A series of checkbox selections precedes the most common heating types such as FWA (forced warm air), HWBB (hot water base board), Radiant (heat) and other. Cooling systems for the subject, if applicable, can include Central Air, Individual (room cooling) and Other. Central air conditioning is an important feature in most Southern locations in the United States and can contribute to value.

Exterior Description (materials/condition) — This section provides the reviewer with an overall description of the exterior features of the improvements. In general, the appraiser should provide descriptive comments regarding construction materials and techniques used:

- Foundation Walls.
- Exterior Walls.
- Roof Surface.
- Gutter and Downspouts.
- Window Type and Treatments.

Amenities — The features in this section add utility and comfort to the home and should be clearly described, as they represent additional costs and may contribute additional value to the property. The market acceptance of these items must be adequately described and the impact on value should be clearly addressed.

A series of checkboxes complete this section that will identify amenities for the subject improvements and include:

- Fireplace(s).
- Patio/Deck.
- Pool.
- Woodstove(s).
- Fence.
- Porch.
- Other.

Interior (materials/condition) — The description now moves to the interior of the residence with a focus on construction materials, condition and overall construction quality of the home's interior. The appraisal should contain a clear and concise description of each feature associated with:

- Floors.
- Walls.
- Trim/Finish.
- Bathroom Floors and Walls.

Car Storage — Car storage should be adequate for the property and should meet the demands of the subject's market. In some cases, the garage has been enclosed and converted to living area. This is fairly typical in some areas, and the appraiser should use at least one comparable with a similar enclosure (if possible) in order to make proper adjustments. If sales with this similar feature are not available, any functional loss for this condition must be addressed in the valuation analysis. A series of checkboxes completes this section and provides data on various combinations of car storage features and driveways for the subject.

Appliances — Provides information on the kitchen equipment and appliance items that are "built in" to the property. Range/Ovens are usually considered built-ins; however, Refrigerators and Washer/Dryers are generally considered items of personal property. The appraiser should comment if the items are considered atypical.

Finished area above grade contains: Rooms Bedroom Baths(s) Square Feet of Gross Living Area Above Grade — These are important fields for both the Cost Approach (if provided) and Sales Comparison Approach. Cross comparison of these items should be completed when reviewing the appraisal. The following provides additional clarification for some of these key items:

- *Rooms. Bedrooms, Bath(s)* — The reviewer should use the room count in conjunction with the attached property sketch to determine whether a property's floor plan conforms to the market demands of the area. If the property has an unusual layout, the appraisal should identify any market resistance and make appropriate adjustments in the final value analysis. Ideally, the room count for the subject property and comparable sales should be similar. The number of full and half baths will be separated by a period, with the full bath count to the left of the period and the half bath count to the right of the period.

- *Square Feet of Gross Living Area Above Grade (GLA.)* — One of the key items in this section is that only the finished areas above grade are used in calculating the GLA. Garage or basement areas should not be included in the square feet of living area estimate. Rooms not included in the above-grade area may add substantial value to the property and can be included separately in the Cost Approach (if provided) and Sales Comparison Approach.

IMPORTANT NOTE: The square footage of living area calculation is typically based on measurement of the exterior walls. Take note of the square feet of GLA, as it will be used in the Cost Approach (if provided) and Sales Comparison Approach on Page 2 and must be consistent throughout the report.

Additional Features (special energy-efficient items, etc.) — Additional amenities, such as finish material upgrades and special energy-efficient items and construction, are addressed here. The reviewer should make note of these items and carefully analyze the way they are addressed in the valuation analysis on Page 2.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.) — Further comments on the condition of the property appear here and should support the effective age. The appraiser must select an overall condition rating from C1 to C6, with C4 being average condition. If applicable, any repairs, renovations and remodeling should be described and how the appraiser approached them. The appraiser must indicate if any, and to what extent, kitchen and bathroom updating has been done in the last 15 years. Any deterioration that may result in depreciation of the subject should be addressed within these comments and appear within the Cost Approach (if provided) and also specifically on the Functional Utility and Condition line items within the Sales Comparison Approach.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? □ Yes □ No If Yes, describe — The question is intended to identify any physical deficiencies or adverse conditions that affect liability, soundness and structural integrity of the subject. These conditions must be reported even if the conditions are typical for competing properties and/or comparables. The reviewer should consider any influence the condition may have on the value and marketability of the property and look for appropriate adjustments. Several examples might include: water seepage, active leaks, inadequate electrical service, cracks and settlement of foundations, etc. A qualified inspector's report may be required to verify the presence and/or magnitude of these conditions.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction etc.)? □ Yes □ No If No, describe — If applicable, the lack of any of these items may affect value and marketability and should be described with comments. In addition, a lack of these items should also be addressed within the other valuation approaches that follow. The subject property should generally conform to the neighborhood in terms of age, type, design and material used for construction. Identification and special consideration must be given to properties that represent unique housing for the subject neighborhood.

PAGE 2 — URAR

This analysis, sometimes referred to as the Market Approach, is an analysis of sales of comparable properties located in the subject's neighborhood or market area. The description of all "subject" features must correlate with data presented previously in the report describing the subject property and its location. The comparable sales selected should demonstrate as much similarity to the subject as possible, ideally requiring minimal adjustments and should bracket the subject's main features.

Ideally, the sales prices of the comparable properties will also bracket the subject's final estimate of value.

The comparable sales presented should follow these general guidelines:

- A minimum of three (3) closed, comparable sales is required. The reviewer may request additional sales or listings if the estimate of value does not appear to be supported.
- The comparables' date of sale should have closed within the last 12 months of the appraisal effective date.
- For properties in established subdivisions or PUDs, comparable sales from within the same subdivision or project should be used if the subdivision or project has resale activity.
- In new subdivisions, the appraiser must select one comparable sale from the subject subdivision or project and one comparable sale from outside the subject subdivision or project. The third comparable sale can be from inside or outside of the subject subdivision or project, provided it is a good indicator of value for the subject property.
- Appraisals of rural properties may include sales located a considerable distance from the subject. The appraiser should define his knowledge of market trends and clarify his comparable selection.

Each comparable sale used must be analyzed for any differences and appropriately adjusted on the sales grid on Page 2 of the URAR for the following key characteristics:

- Conditions of Sale.
- Time.
- Location.
- Physical Characteristics.

The subject property is the standard against which the comparable sales are evaluated and adjusted. If the comparable sale has a feature that is superior to the subject, a negative dollar adjustment is required. Conversely, a feature that is inferior to the subject requires a positive dollar adjustment. If a feature of the subject property differs from a comparable property and the appraiser determines that no adjustment is warranted, a "Zero" (0) is entered on the adjustment line. When the features for the subject and comparable sale(s) are the same and no adjustment is warranted, the adjustment line should be left blank. Dollar adjustments must reflect the value the real estate market will recognize for the feature and not its actual cost.

The appraiser should demonstrate and support the rationale for any adjustment used in the **Sales Comparison Approach**. The most accepted method for determining the amount of an adjustment is the "paired sales" analysis. This method extracts the dollar amount of the adjustment from the market by pairing sales of similar properties with isolated differences. For example:

Comp #1 is a 1,500-square-foot home with a one-car attached garage, and it sold recently for $145,000.
Comp #2 is a 1,500-square-foot home with a two-car attached garage, and it sold recently for $148,000.
If all other features are similar, we could conclude that the market recognizes a $3,000 premium for homes with a two-car versus a one-car garage.

If possible, the reviewer should use the data presented to determine justification for the line adjustments.

There are	comparable properties currently offered for sale in the subject neighborhood ranging in price from $	to $	.
There are	comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $	to $	.

The first two lines on the top of Page 2 of the URAR are illustrated above and require the appraiser to provide both the number and price ranges for only those properties that are truly comparable to the subject and also within the neighborhood, both offered for sale (listings) and actual closed sales.
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SALES COMPARISON AP

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address							
Proximity to Subject							
Sale Price	$		$		$		$
Sale Price/Gross Liv. Area	$ sq. ft.	$ sq. ft.		$ sq. ft.		$ sq. ft.	
Data Source(s)							
Verification Source(s)							
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing Concessions							
Date of Sale/Time							
Location							
Leasehold/Fee Simple							
Site							
View							
Design (Style)							
Quality of Construction							
Actual Age							
Condition							
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
Room Count							
Gross Living Area	sq. ft.	sq. ft.		sq. ft.		sq. ft.	
Basement & Finished Rooms Below Grade							
Functional Utility							
Heating/Cooling							
Energy Efficient Items							
Garage/Carport							
Porch/Patio/Deck							
Net Adjustment (Total)		☐ + ☐ -	$	☐ + ☐ -	$	☐ + ☐ -	$
Adjusted Sale Price of Comparables		Net Adj. % Gross Adj. %	$	Net Adj. % Gross Adj. %	$	Net Adj. % Gross Adj. %	$

Careful attention should be given to the following line items displayed above and described as follows:

Address — The first line of the sales grid provides the actual physical street addresses for both the subject and comparables.

Proximity to Subject — The reference is measured "as the crow flies" and the description should be in terms of a specific distance and direction. The distance should be reasonable for the subject's location and within the defined neighborhood or in a competing market area, if the comparable is not in close proximity to the subject. As a general rule, an explanation is required for any sale that is considered to be outside of these guidelines.

The use of automated mapping systems can also provide a quick and easy check on the subject to comparable distances reported on the appraisal. However, make sure that you use "as-the-crow-flies" distances, rather than "road" or "drive distances."

Sale Price — The sale price of each comparable property should fall within the value range indicated in the Neighborhood Analysis.

Sale Price/Gross Living Area — This "multiplier" is obtained by dividing the sales price for each property by its square footage of GLA. The resulting factor should reflect a narrow range if good comparable sales have been used. It also provides a quick check of the relative similarity to the subject property, as the subject's indicated value should also fall inside the range shown for the comparable sales.

Data/Verification Sources — The reviewer should be assured that the data presented is verified with a party that does not have a financial interest in the subject transaction. The appraiser should use public data sources, provided that they are disclosed and verifiable. Examples of acceptable sources include, but are not limited to, an MLS, public records or a closing disclosure.

Value Adjustments — This section contains the descriptive features that allow the positive and negative dollar adjustments for differences between each comparable sale and the subject property. Remember, only comparables are adjusted.

- *Sales or Financing Concessions* — Examples of sales concessions include interest rate buydowns, loan discount points, unique closing costs, below-market financing and seller-carried second loans. The appraiser must indicate the sale type, financing type and the total amount of concessions, if any, for each comparable sale.

- *Date of Sale/Time* — For each comparable sale, the appraiser should provide the date of the sales contract and the settlement or closing date. Only the month and year need to be reported. The appraiser must use "s" to reflect the settlement or closing date and "c" to reflect the contract date. If the contract date is unavailable to the appraiser, he or she must enter the abbreviation "unk" for unknown in the place of the contract date. Time adjustments must reflect the difference in market conditions between the contract date of the comparable and the effective date of the appraisal for the subject property. The adjustment may be either positive or negative, but requires a detailed explanation consistent with the market conditions reported in the Neighborhood section on Page 1 of the URAR.

IMPORTANT NOTE: The next set of potential value influencing factors can be somewhat subjective and are heavily reliant on the appraiser's market knowledge and expertise. All adjustments should be clearly explained and based directly on market-derived information (across-the-board adjustments (ATBs) can indicate a poor comparable and serve as a red flag). If a property is overvalued, it is commonly due to the subjective adjustments to value that are made for these features. The appraiser must be consistent with items reported on Page 1, and the reviewer should understand the basis for all applied adjustments.

- *Location* — Solely by the nature of its physical location, a property may experience negative or positive influences. If the location is typical and sales are selected from the subject's neighborhood, no adjustment may be required. Any adjustment should be explained and related to the property description data including neighborhood and site on Page 1. The appraiser must reflect the location rating as Neutral (N), Beneficial (B) or Adverse (A) and provide at least one location factor, but no more than two, to provide details about the overall location rating.

- *Leasehold/Fee Simple* —This should correspond with the descriptive data on Page 9.

- The reader should expect the comparable sales to have similar ownership or an explanation of the market's reaction if they differ.

- *Site* — If the subject site is typical of neighborhood sites, an adjustment may not be necessary. Corner sites, size differences, inferior or superior site orientations (such as water frontage or being on a golf course) should be appropriately adjusted and explained.

- *View* — The view from a property may have a significant influence on its value. Sites located in the same neighborhood, and even on the same street, may have markedly different values due to their orientation and view amenity. Adjustments are often recognized for scenic views, such as a mountain, valley or body of water. All view adjustments must be adequately explained in the appraisal. The appraiser must reflect the view rating as Neutral (N), Beneficial (B) or Adverse (A), and provide at least one location factor, but no more than two, to provide details about the overall location rating.

- *Design (Style)* — The adjustments in this section should be analyzed very carefully. Design or Style adjustments are derived from the market, but are often difficult to verify as neighborhoods typically contain homes of similar design and style and the rarity of a market-recognized variation makes extraction by a "paired sales analysis" more difficult. However, as an illustration, in some neighborhoods, the preference (and value difference) for two-story colonial homes versus one-story ranch homes will be readily apparent.

- *Quality of Construction* — The reviewer should pay close attention to these adjustments. Ideally, the comparables should be similar homes, of similar quality from the same neighborhood. Look at the Exterior and Interior materials/ condition information in the Improvements section on Page 1 for features that would not be typical of the market area. The appraiser must select a quality rating from Q1 to Q6, with Q4 being average quality.

- *Actual Age* — Page 1 of the appraisal should state both the actual (Year Built) and effective age of the subject property. Differences can be due to the level of property maintenance and/or updating made to keep pace with current market trends. On Page 2, the Actual Age should be used for the subject and comparables. The reviewer must be certain this is consistent for the subject and the comparable sales. Adjustments here should only be made for market-recognized differences in comparative ages.

- *Condition* — Differences here can be due to the level of property maintenance or any updating that was made to keep pace with current market demands. Adjustments should not be based on the cost of repairs or modernization, but on the amount a typical purchaser is willing to pay for the difference in condition of the subject and each comparable. The appraiser may choose to combine adjustments for Age and Condition, but they must provide a clear explanation in the appraisal. The appraiser must select a condition rating from C1 to C6, with C4 being average condition.

- *Above-Grade Room Count/Gross Living Area* — Check for consistency with the descriptions on Page 1. Only finished above-grade areas are used in calculating the GLA, though basements and partial below-grade areas and attics can be included elsewhere in the report and adjusted accordingly. Ideally, the room count for the subject property and the comparable sales should be very similar with adjustments made on the basis of market reaction. Room-count adjustments are usually applied to differences in baths (and occasionally bedrooms); otherwise, an explanation is required from the appraiser. The number of full and half baths will be separated by a period, with the full bath count to the left of the period and the half bath count to the right of the period.

IMPORTANT NOTE: Adjustments made for size should be consistent throughout. For instance, if the adjustment is $20/square foot for the size differential on one comparable sale, it should be $20/square foot on all of the comparable sales.

- *Basement & Finished Rooms Below Grade* — In some areas, finished basements are typical and add significant value to the property. The reviewer should ensure that they are typical of the subject's market and that all adjustments are consistent for build-out, bath or other room utility and size. The appraiser must report the total square footage of the improvements below grade, the finished square footage, the type of access to the basement and the number of each type of finished rooms.

- *Functional Utility* — Adjustments on this line should be reflective of any functional inadequacies mentioned in the Improvements section. The adjustment is for the market's reaction to the functional loss and it must be supported and clearly explained by the appraiser.

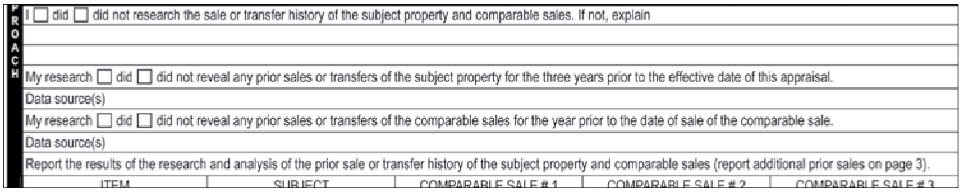
- Heating/Cooling.
- Energy-Efficient Items.
- Garage/Carport.
- Porch/Patio/Deck.
- Other optional items such as Fireplace(s), Fence, Pool, etc. may be entered on the remaining three blank lines below Porch/Patio/Deck.

IMPORTANT NOTE: The adjustment for any of the above features should reflect the market reaction in the neighborhood and should not be based directly on their cost. The reviewer should look for logic and consistency in the amount reflected and for clarification from the appraiser.

Net Adjustment (Total) — The number and/or amount of the dollar adjustments must not be the sole determinant in the acceptability of a comparable. Ideally, the best and most appropriate comparable sales would require few adjustments. The appraiser's adjustments must reflect the market's reaction (that is, market-based adjustments) to the difference in properties. The expectation is for the appraiser to analyze the market for competitive properties and provide appropriate market-based adjustments without regard to arbitrary limits on the size of the adjustment. Excessive net/gross adjustments should be adequately explained by the appraiser.

Adjusted Sale Price of Comparables — Adjustments are totaled and the net is either added to or subtracted from the actual sale price of each comparable. The range of adjusted sale price should bracket the final indicated value of the subject. Use of similar comparable sales should result in a relatively tight value range indication for the subject.

The subsection that follows was designed to provide the reviewer with an overview of research, data sources and sale histories for all the properties shown on the sales grid. This information can be useful to help support values and alert the reviewer to any possible flip activity. Contained within this section are several checkbox-type questions that may require addition narrative or explanations, depending on how the initial questions are responded to.



I ☐ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☐ did ☐ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data source(s)

My research ☐ did ☐ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data source(s)

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3

I did □ did not □ research the sale or transfer history of the subject property and comparables sales. If not, explain — Ideally, the appraiser has checked the first box and was able to research these sales. If not, the appraiser must explain the due diligence used in complying with the key Uniform Standards of Professional Appraisal Practice (USPAP) requirement.

My research did □ did not □ reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal — This question is fairly straightforward and requires the appraiser to research and provide any sales and transfers of the subject property that have occurred in the three years prior to the effective date of the appraisal.

Data Sources — This requires the appraiser to specifically list and describe the source of the sales history data for the subject in enough detail to direct the reviewer to the source.

My research did □ did not □ reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale — This question, as it relates to the comparables sales, is to determine if any sales or transfers have taken place within one year of the sale date of the comparable sale used in the appraisal.

Data Sources — This requires the appraiser to specifically list and describe the source of the sales history data for the comparables in enough detail to direct the reviewer to the source.

The next sub-section on Page 2 of the URAR provides detail on the past sale histories of both the subject and comparables. Sale histories can be useful for the reviewer as a cross check on value, especially if there has been a current sale and more importantly as a potential “Flip” detection tool or method.

Property flipping is the process in which an investor purchases a home and then resells it at a higher price within a short period of time. Flipping is a legal practice when all representations of the property condition and value are supported. To the contrary, illegal property flipping occurs when a property is purchased and resold using misrepresentations to accomplish the resale and profit.

The following events and/or activities may be indicative of an illegal property flip:

- Rapid increases in property values, such the price doubling.
- Multiple changes in ownership within a short period of time.
- The seller is not on title/different from appraisal or purchase contract.
- Affiliated parties on current or past sales transactions.
- Simultaneous closings.

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on Page 3) — The instructions are an introduction for the sales history subsection table that follows:

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).				
ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)				
Effective Date of Data Source(s)				
Analysis of prior sale or transfer history of the subject property and comparable sales				
Summary of Sales Comparison Approach				
Indicated Value by Sales Comparison Approach $				

The information within this table represents the sales history features of the subject property and all comparables, as follows:

- Date of Prior Sale/Transfer.
- Price of Prior Sale/Transfer.
- Data Source(s).
- Effective Date of Data Source(s).

While most of the items above relate specifically to the sales information, the last feature represents the effective date of the data and refers to the most recent date the data was current.

Analysis of prior sale or transfer history of the subject property and comparable sales — This requests an analysis of the sale histories of the subject and comparables. Comments should clarify how these sales affect or relate to the current indicated market value of the subject.

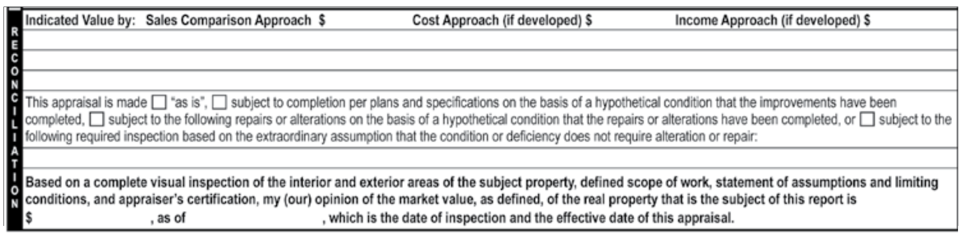
IMPORTANT NOTE: The information provided here relates to previous sales of the subject and the comparable sale properties, not to the subject's current sale transaction or the comparable sale transactions reported and analyzed in the Sales Comparison Approach.

Summary of Sales Comparison Approach — This provides seven blank lines to allow the appraiser to summarize in a narrative format the Sales Comparison Approach and ultimate value.

Indicated Value by Sales Comparison Approach $ — This is where the subject's Sales Comparison Approach to value is displayed. The dollar-value estimate derived from this approach must be within the range of indicated values shown by the final adjusted sale prices of the comparable sales. This value can represent the appraised value if the other optional approaches are not provided.

The Reconciliation section is the last section on Page 2 of the URAR. Reconciliation is a process that continues throughout the appraiser's analysis and results in the final estimate of market value. In the final reconciliation, the appraiser must review the reasonableness and reliability of the data presented in the required Sales Comparison Approach, and if provided, the now-optional Cost and Income Approaches to value. The appraiser then fills in the opinion(s) of value for each approach used, then discusses and provides comments for the rationale for which approach(es) were given the most weight. The reviewer of the report must be assured that the final reconciliation represents a logical analysis and conclusion and not a simple mathematical averaging technique.

If the appraiser has provided sufficient, comprehensive data that is relative to the subject's neighborhood, site, improvements and the comparable sales, the reviewer should reach the same conclusion as the appraiser. This should provide the user with the basis for a sound determination as to the adequacy of the property as security for a mortgage.


RECONCILIATION

Indicated Value by: Sales Comparison Approach $ Cost Approach (if developed) $ Income Approach (if developed) $

This appraisal is made ☐ "as is", ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is $, as of , which is the date of inspection and the effective date of this appraisal.

The next four checkboxes reflect the appraised value and relate to either the current condition of the subject or some yet-to-occur event ranging from being built to repairs.

If the appraisal states that no repairs are indicated, then the estimate of value should typically be checked "as is."

If the home is proposed construction, or under construction then check "subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed" should be indicated.

If the need for repairs or alterations is indicated in the Improvements section, then these items should be listed with a corresponding dollar value. The final estimate of value should be checked "subject to repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed."

IMPORTANT NOTE: If the subject property's appraised value is dependent on a future event, it is termed a hypothetical condition. From an appraisal perspective, a hypothetical condition assumes conditions contrary to known facts about physical, legal or economic characteristics of the subject property. If these future events do not occur, the subject's value based on these assumptions may not be valid.

The fourth option or checkbox: □ "subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair" — This choice is provided to accommodate the use of the extraordinary assumption that a condition or deficiency involving a required inspection does not require alteration or repair.

> **IMPORTANT NOTE:** An appraisal subject to an "Extraordinary Assumption," directly relates to the specific assignment, and if the assumption is found to be false, this could alter the appraiser's opinions or conclusions and ultimate value.

The last subsection within the Reconciliation section provides the appraiser's opinion of market value and the effective date of the appraisal.

PAGE 3 — URAR

This section is used to provide any additional information or overflow comments that do not fit within the spaces provided on the prior pages of the URAR. The appraiser may use this space for any additional research, expanded scope of work and/or sketches.

Often a Cost Approach is not required by an investor. However, if an approach to value is considered by the appraiser as being necessary to produce credible results, the approach is not optional, but rather an aspect of the appraisal assignment. For new or recently constructed properties, the client would be well-served to obtain the Cost Approach to value.

This approach to value is based on the real estate principle of substitution that assumes that a prudent buyer would pay no more for a property than the cost to reproduce or replace it. The Cost Approach will typically set the upper limit of value for a given property and is considered to be much more reliable with newer properties. The reliability tends to decrease as a property ages due to the complexities with estimating accrued depreciation. This approach to value is based on cost of production and requires accurate estimates of the Reproduction or Replacement Cost New of the Improvements, Accrued Depreciation (loss of value from any cause) and Site Value.

COST APPROACH	COST APPROACH TO VALUE (not required by Fannie Mae)	
	Provide adequate information for the lender/client to replicate the below cost figures and calculations.	
	Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)	
	ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE .... = $
	Source of cost data	Dwelling Sq. Ft. @ $ .... =$
	Quality rating from cost service Effective date of cost data	Sq. Ft. @ $ .... =$
	Comments on Cost Approach (gross living area calculations, depreciation, etc.)	
		Garage/Carport Sq. Ft. @ $ .... =$
		Total Estimate of Cost-New .... = $
		Less Physical | Functional | External
		Depreciation =$( )
		Depreciated Cost of Improvements........ =$
		"As-is" Value of Site Improvements........ =$
	Estimated Remaining Economic Life (HUD and VA only) Years	Indicated Value By Cost Approach .... =$

IMPORTANT NOTE: Cost does not always equal value. Construction quality, materials and methods can vary from location to location and site to site, and excess can quickly result in an over-improvement. Over-improvements can be a cause of functional obsolescence and should be valued and adjusted accordingly. Each item should be considered in terms of its market-based contribution to the property's value.

The Cost Approach section, in the middle of Page 3, starts out as follows:

Provide adequate information for the lender/client to replicate the cost figures and calculations — The Cost Approach, if provided, will need to be based on published cost services (such as Marshall & Swift®) to enable the lender/client and reviewer the opportunity to replicate the cost figures used in the appraisal. This should improve appraiser accountability. There may be some options here, but a detailed explanation is required and the approach still needs to be replicable by lender/client.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) — This represents an estimate of the value of the site as if vacant and is best derived by comparison to sales of other similar parcels of vacant land. A clear explanation should be provided if the value of the site is not typical for the neighborhood, including a discussion of its impact on value and overall marketability. An explanation should also be provided when the Site Value exceeds 30% to 40% of the estimated total value of an improved property.

IMPORTANT NOTE: The best approach for supported Site Value estimates would be a list of addresses, sales prices and dates, site sizes and distances to the subject and some sort of reconciliation statement. If the appraiser used another method to determine land value, such as extraction or allocation, additional explanations should be provided on the blank spaces that are provided.

This Cost Approach section continues with additional identifications, clarifications and actual calculations shown and discussed as follows:

Estimated □ Reproduction or □ Replacement Cost New — These two checkboxes will indicate to the reviewer the estimated costs based on building an exact replica of the subject (reproduction) or a dwelling of equivalent utility (replacement). Most appraisers will use the replacement cost new rather than the reproduction cost.

Source of cost data — This would represent the actual source or name of the cost data service used such as Marshall & Swift.

Quality rating from cost service — This essentially provides the appraiser's assessment of the quality of the subject's improvements and attempts to match to predefined ratings from the cost service. An example of one quality rating system from Marshall & Swift is as follows:

- Low quality.
- Fair quality.
- Average quality.
- Good quality.
- Very good quality.
- Excellent quality.

Effective date of cost data — The period, quarter or date provided would represent the vintage or version of the published cost service data.

Comments on Cost Approach (gross living area calculations, depreciation, etc.) — These eight blank lines provide space for a variety of items that may help explain and illustrate a replicable Cost Approach.

Estimated Remaining Economic Life (HUD and VA only) — This is estimated at the bottom of this subsection and is required for government loan programs, but may be helpful for all appraisal reviews.

Opinion of Site Value — The opinion or estimated site value is used here and is the start of the Cost Approach calculation.

Dwelling — This item represents the cost on a per-square-foot basis typically multiplied by the GLA of the dwelling. If applicable, several additional lines are provided for similar calculations for Garage/Carport and two extra lines are for describing other improvements of value, such as a finished basement or attic.

IMPORTANT NOTE: The reviewer should use the Dwelling square foot cost as a check to GLA adjustments in the Sales Comparison Approach. As a general rule, 40% to 75% of the cost per square foot will be accepted in the market for differences in the living area of comparable sales. The amount is derived through comparison of sales of similar properties with differences in living area.

Total Estimate of Cost New — This would represent the items above that are added together and provide an estimate of the property as new.

Depreciation — The appraisal must address all three forms of depreciation (Physical, Functional and External), which must then be deducted from the Total Estimate of Cost New of Improvements.

- *Physical Depreciation* — Sometimes referred to as physical deterioration, this refers to any loss in value that is caused by deterioration in the physical condition of the improvements (such as needed repairs, painting or aging furnaces). For consistency and accuracy, this estimate should correlate with Effective Age and Condition descriptions in the Improvements section and the adjustments made in the Sales Comparison Approach or grid.

There are several methods to determine this amount. Most typically, the appraiser estimates the remaining economic life of the improvements to determine the percentage of wear and tear that is accruing annually. The effective age and remaining economic life are compared to the actual age and total economic life to determine the loss in value from the estimated cost-new of the improvements.

- *Depreciation* — Sometimes referred to as functional obsolescence, this is typically a loss in value caused by defects in the design of the structure. It can also reflect an over-improvement, or the difference between the construction cost and the actual market value of an improvement or feature.

- *Depreciation* — Sometimes referred to as economic obsolescence, this is a loss in value that is caused by adverse influences that are outside of the subject's site. Like all adjustments to value, the amount of the adjustment is extracted from review of market transactions of similar properties with and without the adverse influence. The reviewer should compare this estimate with the Comments section on Page 1 as well as with the comments presented in the Neighborhood section. This adjustment should also appear in the Location, Site or View adjustment field in the Sales Comparison Approach.

Depreciated Cost of Improvements — Reflect the costs of all items above minus depreciation.

"As-Is" Value of Site Improvements — This field is often a "catchall" for any remaining site-specific improvements (such as septic systems, fences, wells or driveways). The term "as is" assumes that in this field the market value will be included, but the feature will not.

Indicated Value By Cost Approach — The appraiser derives this indication of the subject's value by first establishing an estimate of value for the site as if it were vacant and available to be developed to its highest and best use. The appraiser then estimates the current cost of replacing or reproducing the improvements, deducts the amount of accrued depreciation from all causes and adds the "as-is" value of the site improvements. The replacement or reproduction cost estimate should reflect the cost of construction based on the current prices of producing a replacement or replica of the property being appraised, including all of its positive and negative characteristics.

The Income Approach to value assumes that market value is driven by the potential stream of rental income a property is capable of producing. This approach is generally appropriate in single-family neighborhoods with a substantial number of rental properties. Due to a lack of suitable information in many residential neighborhoods, this approach to value is often not provided by the appraiser.

The Income Approach is rarely used in the appraisal of single-family residential properties and is generally considered optional. It is typically used in areas where properties are bought and sold for their income-producing potential. If the approach is not completed, the appraisal should be marked “N/A,” or “Not Applicable.”

INCOME	INCOME APPROACH TO VALUE (not required by Fannie Mae)			
	Estimated Monthly Market Rent $	X Gross Rent Multiplier	= $	Indicated Value by Income Approach
	Summary of Income Approach (including support for market rent and GRM)			

Estimated Monthly Market Rent $ — The subject’s economic rent (the estimated rent the subject would most likely bring if exposed to the market as a rental property) is estimated by comparison to similar rental properties. If the subject is currently rented, the contract rent should be compared to the estimated market rent to ensure that the estimated rent results in a realistic estimate of value. A detailed explanation should be provided if a significant difference is noted between contract and estimated rents.

Gross Rent Multiplier — The appraiser first calculates the Gross Rent Multiplier (GRM), which is achieved by dividing the sales price of the comparable sales by their verified monthly rental. The comparable sales used should also have been rented at the time of sale. For example:

	SALE # 1	**SALE # 2**	**SALE # 3**
Sale Price	$210,000	$215,000	$195,000
Monthly Rent	$1,200	$1,250	$1,100
GRM	175	172	177

The appraiser then chooses the multiplier indicated by the sales most comparable to the subject. The GRM is then multiplied by the subject's economic rent to develop the indication of value.

Continuing with the previous example:
If rental comparable #1 is the most similar, a GRM of 175 is a reasonable selection. If the economic monthly rent for the subject, as determined by market comparison, is $1,150, then:

GRM of 175 x $1,150 monthly economic rent = $201,250

Indicated value by income approach *(If Applicable) – Estimated Market Rent $______________________________/Mo. x Gross Rent Multiplier_________= $____________.*

Indicated income approach to value = $201,250

The reviewer should recognize that the use of this approach could indicate that the property is located in a neighborhood where rentals are prevalent. This may imply a high degree of investor ownership and, consequently, a higher percentage of vacant homes and lower levels of property maintenance may also occur. Historically, this increases the risk of loans with higher loan-to-values (LTV) mortgages. As always, ensure that the comparable sales selected experience the same neighborhood influences as the subject property.

Summary of Income Approach (including support for market rent and GRM) —
This is the final line item for this approach and if the appraiser determines that this approach is relevant, an addendum will likely be necessary since there are just two lines. Simply inserting an indication of value without an adequate summary would result in a violation of USPAP Standards Rules.

This is the last section on Page 3 of the URAR and would only be used if the subject property is located in a PUD and has the following characteristics:

- Individual property membership in the HOA must be required and dollar assessments are mandatory and non-severable.
- Has common property ownership.
- Not in a condominium development.
- Property zoning is not the basis for classification of a project as a PUD.

From a developer's perspective, PUD projects may allow for easier, cheaper and faster government approval processes compared to individual units within a traditional subdivision. PUDs also provide owners with fee simple ownership of lots and common ownership of costly items like roads and recreation features that would be cost-prohibitive for most owners.

This section provides descriptive information for the PUD, which is generally obtained from the developer or HOA.

PUD INFORMATION	PROJECT INFORMATION FOR PUDs (if applicable)		
	Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached		
	Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.		
	Legal name of project		
	Total number of phases	Total number of units	Total number of units sold
	Total number of units rented	Total number of units for sale	Data source(s)
	Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion		
	Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)		
	Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.		
	Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.		
	Describe common elements and recreational facilities		

Is the developer/builder in control of the Homeowners Association (HOA)?
□ Yes □ No and Unit Type(s) □ Detached □ Attached — This provides the reviewer with a market appeal gauge. A newly built project that has rapidly sold out would represent good/strong market acceptance of the project, and the reverse would be true of older projects that are still under developer control.

The next series of information and descriptions would only be required if the developer/builder is still in control of the HOA. Technically, the developer will generally be in control until a certain percentage of units or sites are sold (typically 50% or as indicated in the project documents or HOA).

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit:

- Legal name of project.
- Total number of phases.
- Total number of units.
- Total number of units sold.
- Total number of units rented.
- Total number of units for sale and data source(s).

The above items identify the project and provide an indication of project size, market acceptance, use and data sources. Some of the sales numbers may also be helpful in analyzing comparable selection in and out of the subject PUD project.

Was the project created by the conversion of an existing building(s) into a PUD?
□ Yes □ No If Yes, date of conversion – This question provides conversion history and date information.

Does the project contain any multi-dwelling units? □ Yes □ No Data Source(s)
— This provides information on any sort of mix of attached and detached units and data sources.

Are the units, common elements, and recreational facilities complete?
□ Yes □ No If No, describe the status of completion. — This is especially important for larger PUD projects that may have extensive common areas and recreational facilities that contribute significant value to individual units, which, if not completed, would have a negative impact on unit values and project marketability.

Are the common elements leased to or by the HOA? □ Yes □ No If Yes, describe the rental terms and options — Again, this is more common in larger PUDs, as it may impact the value of the properties in a PUD. If a lease is in effect for common areas or amenities, it is important that it is analyzed, especially the term and the potential for lease increases during the term and/or after the lease expiration date. The latter situation may allow for large increases in lease amounts for the unit owners. For these reasons, it is important that appraisers research this completely.

Describe the common elements and recreational facilities – This item should provide a list of common and recreational facilities associated with the project. This may include golf courses, swimming pools, gyms, parks and roads and trails. Any of these items that are subject to lease should be noted as per the previous item above.

PAGES 4 - 6

Pages 4 through 6 of the URAR include a variety of Instructions, Definitions, Assumptions and Limiting Conditions, Appraiser's Certifications and Signature sections.

For most appraisal assignments, this will limit additional addenda and provide for somewhat more standardized reports. Also indicated on these pages are some of the penalties, civil and criminal, that an appraiser may face for intentional or negligent misrepresentation(s) contained in the appraisal report.

Appraiser — In the last section of Page 6, the left side provides a location for the appraiser's signature and the following information:

- Signature.
- Appraiser's company name and contact information.
- Date of signature and effective date of appraisal
- State certification or state license numbers.
- Expiration Date of Certification or License.
- The address and appraised value of property appraised.
- Lender/client name, company name and address and email address.

The appraiser's location, subject property and lender/client addresses are conveniently grouped in this section, and in some cases, may be revealing as to the level of local market knowledge applied to the appraisal and/or other motivations, especially if the appraiser is from outside the market.

Supervisory Appraiser (only if required) - If applicable, similar information is requested from the supervisory appraiser, including the following additional information: regarding inspections, etc.

Subject Property

- Did not inspect the subject property.
- Did inspect the exterior of subject property from street; and date of inspection.
- Did inspect the interior and exterior of subject property; and date of inspection.

Comparable Sales

- Did not inspect exterior of comparable for the street.
- Did inspect exterior of comparable from street and date.

Appraisal exhibits are considered to be part of the appraisal and should include the following:

Floor plan or sketch — This is typically a reproduction of the footprint of the subject improvements with exterior dimensions and living area calculations. The sketch should indicate and support how the GLA calculation was determined and should include room locations. The reviewer should compare this to Page 2 of the URAR.

Subject photographs — Photographs should be clear and descriptive. Views of the front, rear and street should be provided. Interior photos should include the kitchen, bathrooms, main living area and, if applicable, examples of physical deterioration, recent updates or remodeling.

Comparable photographs — A front view of all comparables is required and should be identified by their property address. The photos should support the description of the comparables as represented on the sales comparison grid.

Maps — A legible street map is required that clearly shows the location of the subject property and all of the comparables used in the appraisal.

Additional addendums — Any other attachments that are necessary to provide support for the opinion of market value.

Market Conditions Addendum to the Appraisal Report

File No.

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address	City	State	ZIP Code
Borrower			

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				☐ Increasing	☐ Stable	☐ Declining
Absorption Rate (Total Sales/Months)				☐ Increasing	☐ Stable	☐ Declining
Total # of Comparable Active Listings				☐ Declining	☐ Stable	☐ Increasing
Months of Housing Supply (Total Listings/Ab.Rate)				☐ Declining	☐ Stable	☐ Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Median Comparable Sale Price				☐ Increasing	☐ Stable	☐ Declining
Median Comparable Sales Days on Market				☐ Declining	☐ Stable	☐ Increasing
Median Comparable List Price				☐ Increasing	☐ Stable	☐ Declining
Median Comparable Listings Days on Market				☐ Declining	☐ Stable	☐ Increasing
Median Sale Price as % of List Price				☐ Increasing	☐ Stable	☐ Declining
Seller-(developer, builder, etc.) paid financial assistance prevalent? ☐ Yes ☐ No				☐ Declining	☐ Stable	☐ Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.).

Are foreclosure sales (REO sales) a factor in the market? ☐ Yes ☐ No If yes, explain (including the trends in listings and sales of foreclosed properties).

Cite data sources for above information.

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

CONDO/CO-OP PROJECTS

If the subject is a unit in a condominium or cooperative project , complete the following: **Project Name:**

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current – 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				☐ Increasing	☐ Stable	☐ Declining
Absorption Rate (Total Sales/Months)				☐ Increasing	☐ Stable	☐ Declining
Total # of Active Comparable Listings				☐ Declining	☐ Stable	☐ Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				☐ Declining	☐ Stable	☐ Increasing

Are foreclosure sales (REO sales) a factor in the project? ☐ Yes ☐ No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

APPRAISER

Signature	Signature
Appraiser Name	Supervisory Appraiser Name
Company Name	Company Name
Company Address	Company Address
State License/Certification # State	State License/Certification # State
Email Address	Email Address

Freddie Mac Form 71 March 2009 Page 1 of 1 Fannie Mae Form 1004MC March 2009

The Market Conditions Addendum to the Appraisal Report (Fannie Mae Form 1004MC/Freddie Mac Form 71) is required with all appraisals of one-to-four-unit properties.

The Market Conditions Addendum is intended to provide a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. The form provides the appraiser with a structured format to report the data and to identify current market trends and conditions. The appraiser's conclusions must be reported in the Neighborhood section of the appraisal report.

In some markets, it may not be possible to retrieve the total number of comparable active listings from earlier periods. In this case, the appraiser must explain the attempt to obtain such information. Also, there may be markets in which the data is available in terms of an "average" as opposed to a "median." In this case, the appraiser needs to note that the analysis has been based on an average representation of the data. Regardless of whether all requested information is available, the appraiser must provide support for his or her conclusions regarding market trends and conditions.

Inventory Analysis Section
This section assists the appraiser in analyzing important supply and demand factors in order to reach a conclusion regarding housing trends and market conditions. The appraiser must include the comparable data that reflects the total pool of comparable properties from which a buyer may select a property in order to analyze the sales activity and the local housing supply. One of the tools used to monitor these trends is the absorption rate. The absorption rate is the rate at which properties for sale have been or can be sold (marketed) within a given area. To determine absorption rate, the appraiser divides the total number of settled sales by the time frame being analyzed. The months of housing supply is based on the total listings for the applicable period divided by absorption rate.

Median Sale and List Price, DOM, List/Sale Ratio Section
The appraiser must analyze additional trends, including the changes in median prices and days on the market for both sales and listings, and a change in list-to-sales price ratios.

Overall Trend Section
The section is designed to reflect potential positive trends, neutral trends or negative trends in inventory, median sale and list price, days on market, list-to-sale price ratio and seller concessions.

Seller Concessions
Form 1004MC also provides a section for comments on the prevalence of seller concessions and the trend in seller concessions for the past 12 months. The change in seller concessions within the market provides additional insight into current market conditions. The appraiser should consider and report on seller-paid (or third-party) costs. Examples of these items include, but are not limited to, mortgage payments, points, fees and homeowner association dues. Seller concessions must be carefully analyzed by the appraiser since excessive concessions can often lead to inflated property values.

Foreclosure Sales and Summary/Analysis of Data Sections
The presence and extent of foreclosure/REO sales is important when analyzing market data and must be reported on the 1004MC. The form also allows for the appraiser to summarize the data and provide other data analysis or additional information, such as analysis of pending sales, which can show market trending over time.

CHAPTER TWO

FORMS

- **Uniform Residential Appraisal Report** (Fannie Mae 1004/Freddie Mac 70)

Uniform Residential Appraisal Report File #

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

SUBJECT

Property Address | City | State | Zip Code
Borrower | Owner of Public Record | County
Legal Description
Assessor's Parcel # | Tax Year | R.E. Taxes $
Neighborhood Name | Map Reference | Census Tract
Occupant ☐ Owner ☐ Tenant ☐ Vacant | Special Assessments $ | ☐ PUD | HOA $ | ☐ per year ☐ per month
Property Rights Appraised ☐ Fee Simple ☐ Leasehold ☐ Other (describe)
Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☐ Other (describe)
Lender/Client | Address
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☐ No
Report data source(s) used, offering price(s), and date(s).

CONTRACT

I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price $ | Date of Contract | Is the property seller the owner of public record? ☐ Yes ☐ No | Data Source(s)
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No
If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics	One-Unit Housing Trends	One-Unit Housing		Present Land Use %	
Location ☐ Urban ☐ Suburban ☐ Rural	Property Values ☐ Increasing ☐ Stable ☐ Declining	PRICE	AGE	One-Unit	%
Built-Up ☐ Over 75% ☐ 25–75% ☐ Under 25%	Demand/Supply ☐ Shortage ☐ In Balance ☐ Over Supply	$ (000)	(yrs)	2-4 Unit	%
Growth ☐ Rapid ☐ Stable ☐ Slow	Marketing Time ☐ Under 3 mths ☐ 3–6 mths ☐ Over 6 mths	Low		Multi-Family	%
Neighborhood Boundaries		High		Commercial	%
		Pred.		Other	%

Neighborhood Description

Market Conditions (including support for the above conclusions)

SITE

Dimensions | Area | Shape | View
Specific Zoning Classification | Zoning Description
Zoning Compliance ☐ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? ☐ Yes ☐ No If No, describe

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements—Type	Public	Private
Electricity	☐	☐	Water	☐	☐	Street	☐	☐
Gas	☐	☐	Sanitary Sewer	☐	☐	Alley	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☐ No | FEMA Flood Zone | FEMA Map # | FEMA Map Date
Are the utilities and off-site improvements typical for the market area? ☐ Yes ☐ No If No, describe
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☐ No If Yes, describe

IMPROVEMENTS

General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units ☐ One ☐ One with Accessory Unit	☐ Concrete Slab ☐ Crawl Space	Foundation Walls	Floors
# of Stories	☐ Full Basement ☐ Partial Basement	Exterior Walls	Walls
Type ☐ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area sq. ft.	Roof Surface	Trim/Finish
☐ Existing ☐ Proposed ☐ Under Const.	Basement Finish %	Gutters & Downspouts	Bath Floor
Design (Style)	☐ Outside Entry/Exit ☐ Sump Pump	Window Type	Bath Wainscot
Year Built	Evidence of ☐ Infestation	Storm Sash/Insulated	Car Storage ☐ None
Effective Age (Yrs)	☐ Dampness ☐ Settlement	Screens	☐ Driveway # of Cars
Attic ☐ None	Heating ☐ FWA ☐ HWBB ☐ Radiant	Amenities ☐ Woodstove(s) #	Driveway Surface
☐ Drop Stair ☐ Stairs	☐ Other Fuel	☐ Fireplace(s) # ☐ Fence	☐ Garage # of Cars
☐ Floor ☐ Scuttle	Cooling ☐ Central Air Conditioning	☐ Patio/Deck ☐ Porch	☐ Carport # of Cars
☐ Finished ☐ Heated	☐ Individual ☐ Other	☐ Pool ☐ Other	☐ Att. ☐ Det. ☐ Built-in

Appliances ☐ Refrigerator ☐ Range/Oven ☐ Dishwasher ☐ Disposal ☐ Microwave ☐ Washer/Dryer ☐ Other (describe)
Finished area **above** grade contains: | Rooms | Bedrooms | Bath(s) | Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.)

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☐ No If Yes, describe

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☐ Yes ☐ No If No, describe

Freddie Mac Form 70 March 2005 | Page 1 of 6 | Fannie Mae Form 1004 March 2005

▪ **Uniform Residential Appraisal Report** (Fannie Mae 1004/Freddie Mac 70) [Page 2]

Uniform Residential Appraisal Report

File #

There are comparable properties currently offered for sale in the subject neighborhood ranging in price from $ to $.

There are comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ to $.

SALES COMPARISON APPROACH

FEATURE	SUBJECT			COMPARABLE SALE # 1				COMPARABLE SALE # 2				COMPARABLE SALE # 3			
Address															
Proximity to Subject															
Sale Price	$						$				$				$
Sale Price/Gross Liv. Area	$		sq. ft.	$		sq. ft.		$		sq. ft.		$		sq. ft.	
Data Source(s)															
Verification Source(s)															
VALUE ADJUSTMENTS	DESCRIPTION			DESCRIPTION			+(-) $ Adjustment	DESCRIPTION			+(-) $ Adjustment	DESCRIPTION			+(-) $ Adjustment
Sale or Financing Concessions															
Date of Sale/Time															
Location															
Leasehold/Fee Simple															
Site															
View															
Design (Style)															
Quality of Construction															
Actual Age															
Condition															
Above Grade	Total	Bdrms.	Baths	Total	Bdrms.	Baths		Total	Bdrms.	Baths		Total	Bdrms.	Baths	
Room Count															
Gross Living Area			sq. ft.			sq. ft.				sq. ft.				sq. ft.	
Basement & Finished Rooms Below Grade															
Functional Utility															
Heating/Cooling															
Energy Efficient Items															
Garage/Carport															
Porch/Patio/Deck															
Net Adjustment (Total)				☐ + ☐ -			$	☐ + ☐ -			$	☐ + ☐ -			$
Adjusted Sale Price of Comparables				Net Adj. % Gross Adj. %			$	Net Adj. % Gross Adj. %			$	Net Adj. % Gross Adj. %			$

I ☐ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☐ did ☐ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data source(s)

My research ☐ did ☐ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data source(s)

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)				
Effective Date of Data Source(s)				

Analysis of prior sale or transfer history of the subject property and comparable sales

Summary of Sales Comparison Approach

Indicated Value by Sales Comparison Approach $

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ Cost Approach (if developed) $ Income Approach (if developed) $

This appraisal is made ☐ "as is", ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is $, as of , which is the date of inspection and the effective date of this appraisal.

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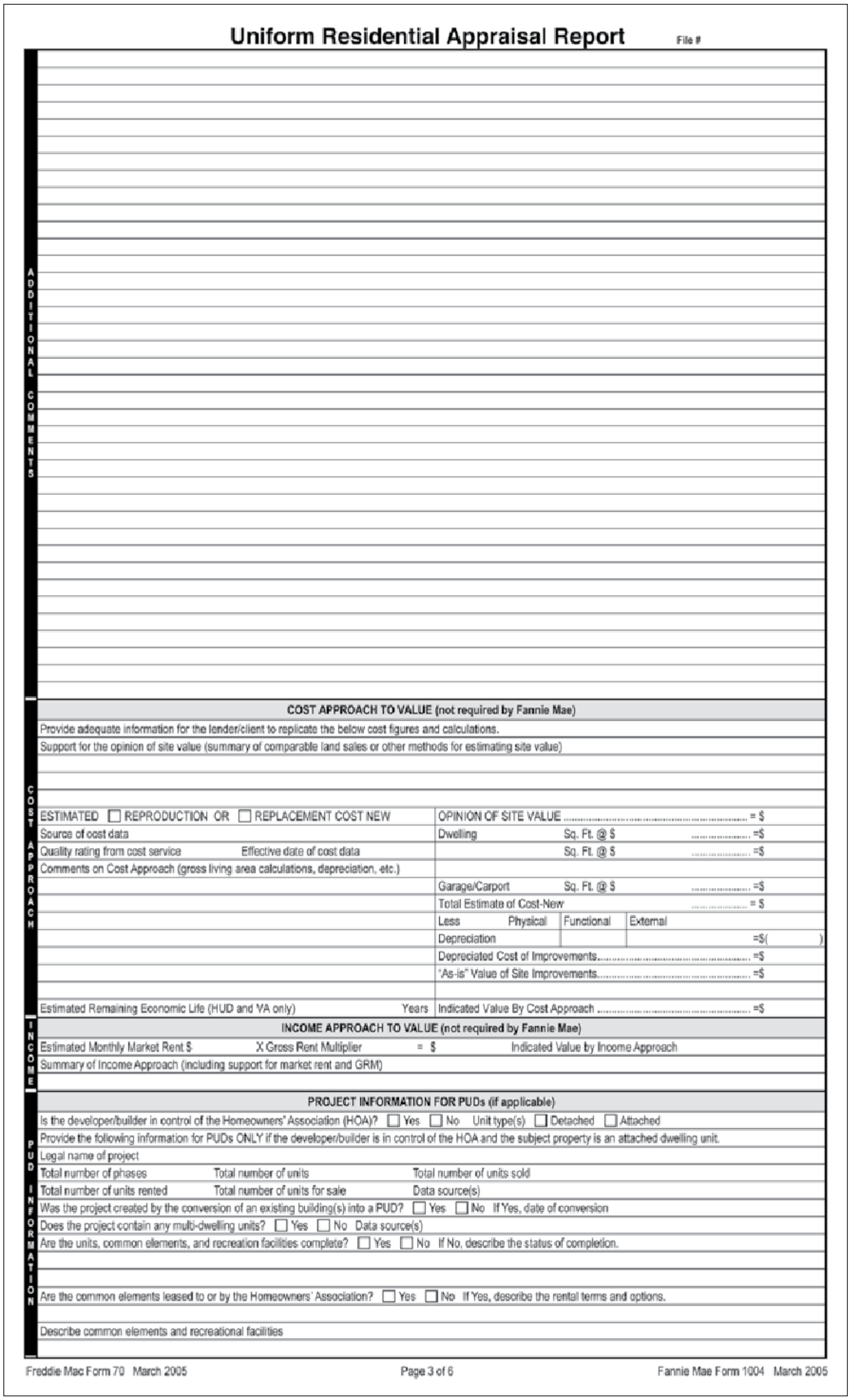

Uniform Residential Appraisal Report File #

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE .... = $
Source of cost data	Dwelling Sq. Ft. @ $ .... =$
Quality rating from cost service Effective date of cost data	Sq. Ft. @ $ .... =$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	
	Garage/Carport Sq. Ft. @ $ .... =$
	Total Estimate of Cost-New .... = $
	Less Physical | Functional | External
	Depreciation =$( )
	Depreciated Cost of Improvements............ =$
	"As-is" Value of Site Improvements............ =$
Estimated Remaining Economic Life (HUD and VA only) Years	Indicated Value By Cost Approach .... =$

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent $ X Gross Rent Multiplier = $ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM)

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal name of project

Total number of phases Total number of units Total number of units sold

Total number of units rented Total number of units for sale Data source(s)

Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

11. I have knowledge and experience in appraising this type of property in this market area.

12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

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21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature ___
Name ___
Company Name ___
Company Address ___

Telephone Number ___
Email Address ___
Date of Signature and Report ___
Effective Date of Appraisal ___
State Certification # ___
or State License # ___
or Other (describe) ___ State # ___
State ___
Expiration Date of Certification or License ___

ADDRESS OF PROPERTY APPRAISED

APPRAISED VALUE OF SUBJECT PROPERTY $ ___

LENDER/CLIENT
Name ___
Company Name ___
Company Address ___

Email Address ___

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature ___
Name ___
Company Name ___
Company Address ___

Telephone Number ___
Email Address ___
Date of Signature ___
State Certification # ___
or State License # ___
State ___
Expiration Date of Certification or License ___

SUBJECT PROPERTY

☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection ___
☐ Did inspect interior and exterior of subject property
Date of Inspection ___

COMPARABLE SALES

☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection ___

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NOTES:

NOTES:

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