

# Uniform Residential Appraisal Report

File # Johnson

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 <b>356 Lowe St</b>	City <b>Waynesville</b>	State <b>NC</b>	Zip Code <b>28786</b>
Borrower <b>John Johnson</b>	Owner of Public Record <b>Sandy Smith</b>	County <b>Haywood</b>	
Legal Description <b>Book 798 Page 437</b>			
Assessor's Parcel # <b>004-978347</b>	Tax Year <b>2011</b>	R.E. Taxes \$ <b>324</b>	
Neighborhood Name <b>Farmer's Plot</b>	Map Reference <b>5730.49</b>	Census Tract <b>37-087-1479</b>	
Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments \$ <b>0</b>	<input type="checkbox"/> PUD	<input type="checkbox"/> HOA \$ <b>0</b>
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)			
Assignment Type <input checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)			
Lender/Client <b>First Mortgage Company</b>		Address <b>729 Hendersonville Road Waynesville NC 28786</b>	
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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Report data source(s) used, offering price(s), and date(s). <b>DOM 86; Subject property was offered for sale on 02/01/2012 for \$97,000. The data source is MLS#12345678.</b>			

I <input checked="" type="checkbox"/> did <input type="checkbox"/> 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. <b>Arms length sale;The sales contract is typical for the area with no unusual provisions that have an effect on the sale price of the subject property.</b>
Contract Price \$ <b>91,500</b> Date of Contract <b>06/01/2012</b> Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) <b>Assessor's Record</b>
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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, report the total dollar amount and describe the items to be paid. <b>\$2500;;Seller paid closing costs</b>

**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 <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE AGE	One-Unit 60%
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000) (yrs)	2-4 Unit %
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	<b>40</b> Low <b>New</b>	Multi-Family %
Neighborhood Boundaries		<b>350</b> High <b>80</b>	Commercial %
<b>US 74 to the West, Walnut St to the North, Main St to the East, Hyatt Creek Rd to the South.</b>		<b>120</b> Pred. <b>25</b>	Other 40%
Neighborhood Description			
The subject is located in the Waynesville/Hazelwood area. The neighborhood consists of typical suburban mix with newer homes, some manufactured homes, and some vacant land. The subject is conforming in quality and condition for the area.			
Market Conditions (including support for the above conclusions)			

Dimensions <b>see attached tax survey plat</b>	Area <b>12197 sf</b>	Shape <b>irregular</b>	View <b>N;Res</b>
Specific Zoning Classification <b>R-1</b>	Zoning Description <b>Single family residential</b>		
Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)			
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe			
<b>Utilities</b>	<b>Public</b>	<b>Other (describe)</b>	<b>Off-site Improvements—Type</b>
Electricity <input checked="" type="checkbox"/>	<input type="checkbox"/>	Water <input checked="" type="checkbox"/>	Street <b>asphalt</b>
Gas <input type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer <input checked="" type="checkbox"/>	Alley <b>None</b>
FEMA Special Flood Hazard Area <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		FEMA Flood Zone <b>A-5</b>	FEMA Map # <b>370123 0002 B</b>
FEMA Map Date <b>01/06/1983</b>		Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe	
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe			

General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls <b>block/avg</b>	Floors <b>crpt/vinyl/avg</b>
# of Stories <b>1.00</b>	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls <b>vinyl/avg</b>	Walls <b>drywall/avg</b>
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area <b>0</b> sq. ft.	Roof Surface <b>asphalt/avg</b>	Trim/Finish <b>wood/avg</b>
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish <b>0</b> %	Gutters & Downspouts <b>front and rear</b>	Bath Floor <b>vinyl/avg</b>
Design (Style) <b>Rambler</b>	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type <b>d-hung/avg</b>	Bath Wainscot <b>none</b>
Year Built <b>1968</b>	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated <b>yes/avg</b>	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) <b>20</b>	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens <b>yes/avg</b>	<input checked="" type="checkbox"/> Driveway # of Cars <b>2</b>
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities <input type="checkbox"/> Woodstove(s) # <b>0</b>	Driveway Surface
<input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Oil	<input type="checkbox"/> Fireplace(s) # <b>0</b> <input checked="" type="checkbox"/> Fence	<input type="checkbox"/> Garage # of Cars <b>0</b>
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck <input checked="" type="checkbox"/> Porch	<input checked="" type="checkbox"/> Carport # of Cars <b>1</b>
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Other None	<input type="checkbox"/> Pool <input type="checkbox"/> Other	<input type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in

Appliances <input checked="" type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)			
Finished area <b>above</b> grade contains:	<b>5</b> Rooms	<b>3</b> Bedrooms	<b>1.1</b> Bath(s)
<b>1040</b> 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.).			
<b>C3;Kitchen-updated-eleven to fifteen years ago;Bathrooms-updated-six to ten years ago;The subject property has been maintained with maintenance which is reflective of the subject's effective age. The house was in average condition at the time of inspection and there were no repairs needed at the time of inspection. No functional or external depreciation was noted at the time of inspection.</b>			
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe			
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe			

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There are 2 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 55,000		to \$ 110,000.					
There are 9 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 50,000		to \$150,000 .					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3			
Address 356 Lowe St. Waynesville, NC 28786		125 Blue Devil Dr Waynesville, NC 28786	177 Blue Devil Dr Waynesville, NC 28786	108 Walnut St Waynesville, NC 28786			
Proximity to Subject		0.16 miles E	0.11 miles E	0.76 miles NW			
Sale Price	\$ 91,500	\$ 130,000	\$ 79,000	\$ 102,000			
Sale Price/Gross Liv. Area	\$ 87.98 sq. ft.	\$ 110.92 sq. ft.	\$ 87.78 sq. ft.	\$ 85.28 sq. ft.			
Data Source(s)		MLS#98765432;DOM 125	MLS#5647382;DOM 67	MLS#92837465;DOM 161			
Verification Source(s)		Listing Agent, Deed #939496	Selling Agent, Deed #1212122	Listing Agent, Deed #943012			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		ArmLth Conv;0		REO FHA;0		Short VA;0	
Date of Sale/Time		s04/12;c02/12		s10/12;c07/12		s01/12;c11/11	
Location	N;Res	N;Res		N;Res		N;Res	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	12197 sf	10454 sf		7405 sf	880	5663 sf	1,200
View	N;Res	N;Res		N;Res		N;Res	
Design (Style)	Rambler	Rambler		Rambler		rambler	
Quality of Construction	Q4	Q4		Q4		Q3	-2,000
Actual Age	37	47		57		~70	5,000
Condition	C3	C2	-2,000	C3		C3	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	5 3 1.1	6 3 1	1,500	5 2 1	1,500	5 3 1.1	
Gross Living Area	1040 sq. ft.	1172 sq. ft.	-3,300	900 sq. ft.	3,500	1196 sq. ft.	-3,900
Basement & Finished	0sf	1392sf0sfwu	-11,136	0sf		0sf	
Rooms Below Grade							
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA/none	ht pump/ac	-1,500	FWA/none		FWA/none	
Energy Efficient Items	None	None		None		None	
Garage/Carport	1/c/carport	1/c/gar	-8,000	1/c/carport		1/c/gar	-2,500
Porch/Patio/Deck	Porch	porch/deck	-1,000	porch		porches	-2,000
Fence, Pool, etc...	Fencing/outbuilding	outbuilding	500	none	1,500	outbuilding	500
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$-24,936	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$7,380	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$-3,700
Adjusted Sale Price of Comparables		Net Adj. -19% Gross Adj. 22.%	\$ 105,064	Net Adj. 9.3% Gross Adj. 9.3%	\$ 86,380	Net Adj. -3.3% Gross Adj. 16.6%	\$ 98,300
<input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain							
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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) MLS							
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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)	MLS, County Recorder	MLS, County Recorder	MLC, County Recorder	MLS, County Recorder			
Effective Date of Data Source(s)	07/01/2012	07/01/2012	07/01/2012	07/01/2012			
Analysis of prior sale or transfer history of the subject property and comparable sales							
No prior sales of the subject property within the past 3 years or comparable sales for the year prior to the date of sale of the comparable sale.							
Summary of Sales Comparison Approach							
All sales used were of similar style and age homes. There is an undesired spread in adjusted values and could not be avoided due to the limited similar comparables available. Additional amenities for which marginal value contribution were downwardly and differences in gross living area, age and location. Because of the limited number of sales, it was necessary to go beyond six months and one mile for sales, although staying within similar market areas. The comparables used were the best available in the area. After adjustments which stayed within guidelines for net and gross, the data was reconciled and an opinion of Market Value was determined.							
Indicated Value by Sales Comparison Approach \$							
<b>Indicated Value by: Sales Comparison Approach \$ 92,500      Cost Approach (if developed) \$      Income Approach (if developed) \$</b>							
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:							
<b>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 \$ 92,500 , as of 07/02/2012 , which is the date of inspection and the effective date of this appraisal.</b>							

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File #

A D D I T I O N A L  C O M M E N T S	The subject is located just off a public maintained road with a gravel driveway providing access to the property. No apparent easement or encroachments noted. Subject's site, size, and septic system, water system and gravel driveway, and lack of zoning classification are typical and accepted for the area.
	The appraiser has made every effort available (interviewed local realtors, reviewed tax records and MLS sales data) to complete this appraisal under typical guidelines regarding sales date, proximity, adjustment percentages, etc. The appraiser utilized the closed sales with the most similar characteristics and attributes to the subject property bracketing the subject as best as possible. However there are no better comparable sales noted in closer proximity to the subject property.
	If any sketches or measurements are shown in this report, they may be rounded and are approximate measurements not intended to be exact or drawn to scale. Some information of analysis of hazardous materials, or the indicated lack of these materials, at the subject site or in the subject neighborhood and arrived at through visual observation only. The appraiser has no expertise in the field of hazardous materials, either finding or removing such materials cannot represent whether these materials exist on the property or not.
	Existing homes may contain some form of mold. As the material is more often than not, not visible from the exterior of finishes, I make no representation as to whether mold may be present in this property. A mold inspection is the best way to insure whether mold exists on the property. If there is any doubt about the existence of mold, an inspection should be made of the property. Any know indication of mold or mildew are included in the report and are based on exterior visual inspection and an interior visual inspection.
	For existing home appraisals, the crawl space or lower level of the home may be inspected for the existence of excess moisture or standing water. No inspection of the property for structural integrity, air flow, the existence of mold or mildew, drain like leakage or termite damage is made or implied. The roof covering of existing homes are inspected visually from the ground level. Any known or indicated (by sight) roof problems are included in the report. The lack of problems being noted in the report does not suggest that the roof is not leaking or will not leak in the near future. For any assurance of the integrity of the roof covering against failure of leaking should be determined by a roof inspection by a qualified roofer.

C O S T  A P P R O A C H	<b>COST APPROACH TO VALUE (not required by Fannie Mae)</b>	
	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 <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> 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 ..... = \$	

I N C O M E	<b>INCOME APPROACH TO VALUE (not required by Fannie Mae)</b>	
	Estimated Monthly Market Rent \$                      X Gross Rent Multiplier                      = \$	Indicated Value by Income Approach
	Summary of Income Approach (including support for market rent and GRM)	

P U D  I N F O R M A T I O N	<b>PROJECT INFORMATION FOR PUDs (if applicable)</b>		
	Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No      Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input type="checkbox"/> No      If Yes, date of conversion		
	Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No      Data source(s)		
	Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No      If NO, describe the status of completion.		
Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No      If Yes, describe the rental terms and options.			
Describe common elements and recreational facilities			

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File #

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.

**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.



# Uniform Residential Appraisal Report

File #

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 John Q. Appraiserman  
Company Name Accurate Appraisals  
Company Address 798 Appraisal Lane  
Waynesville NC 28786  
Telephone Number 704-555-3636  
Email Address jappraiser@accurateappraisals.com  
Date of Signature and Report 07/02/2012  
Effective Date of Appraisal 07/02/2012  
State Certification # NC 87978000  
or State License # \_\_\_\_\_  
or Other (describe) State # \_\_\_\_\_  
State NC  
Expiration Date of Certification or License 06/30/2013  
ADDRESS OF PROPERTY APPRAISED  
356 Lowe St  
Waynesville NC 28786  
APPRAISED VALUE OF SUBJECT PROPERTY \$ 92,500  
LENDER/CLIENT  
Name No AMC  
Company Name First Mortgage Company  
Company Address 729 Hendersonville Road  
Waynesville, NC 28786  
Email Address loans@firstmortgage.us

## 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 \_\_\_\_\_

Single Family Appraisal or Marketability Report type required:  1004  2055 Exterior Only

\*This appraisal job aid is a TOOL only and does not constitute an approval of the appraisal.

\*\*Use of the appraisal job aid is not a requirement for Essent Mortgage Insurance

\*\*\*For Condominiums use 1073 or 1075, Manufactured Homes use 1004C, 2-4 Family use 1025 and for Cooperatives use 2090 or 2095.

APPRAISAL TYPE		
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Do you have the correct appraisal report form (or better) as requested by the DU Finding or LP Feedback?

PHOTOS/LOCATION MAP (Addenda)				Actions/Comments/Notes
<b>Look at these first!</b>				
<i>Review the photos and the map first. Look for any obvious problems and/or inconsistencies.</i>				
1.	Does the subject appear to need repairs?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – If appraiser did not require repairs to be completed, the appraiser must comment on the effect on value and marketability and should provide a cost to cure
2.	Do the comps appear to be similar to the subject in appearance/design and condition?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Check location map to insure sales are from subject's neighborhood.
3.	Do the photos and map of the subject coincide with the descriptions in the neighborhood section with regard to built up/density and location (urban, suburban, rural)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Have Appraiser provide necessary clarifications and/or corrections.
4.	Does the street view show any negative external influences?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Appraiser must comment on any external influences and their effect on the value and marketability of the subject property.
5.	Is the subject located near any external influences (highways, railroad tracks, mountain, golf course, etc.)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – there should be at least one comp that has the same influence or an explanation that none were found and the appraiser must explain any impact (positive or negative) that these items may have on the value and marketability of the subject property.
6.	Are the comps located near any external influences?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – If all comps are located near the same type of external influence and the subject property is NOT, then the appraiser should provide additional comps not located near the same type of external influence or provide a narrative explanation (even if no adjustments were made) in order to validate what effect this influence has on market value.

SUBJECT				Actions/Comments/Notes
<i>Review the Subject section for consistency. Verify that the information contained in this section matches the information stated in the loan file. Verify that all fees, taxes and assessments have been included in the borrower's monthly PITIA.</i>				
7.	Does the property address match the loan application and the sales contract (if applicable)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Appraiser and/or Lender must clarify and make appropriate corrections.
8.	Is the owner of record consistent with the loan file documentation?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Appraiser should clarify and make appropriate corrections. HINT: If refinance of primary residence, the borrower and owner of record should be same and occupancy should be owner, not tenant or vacant. If purchase and the seller listed on the contract is not the owner of record, make sure you do not have an improper flip transaction.
9.	Are the property rights appraised fee simple?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Check Lender guidelines for leasehold acceptability.
10.	Is the subject property located in a PUD or CONDO Project?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Look for HOA fees. If PUD – PUD section may need to be completed. NOTE: With the exception of Site Condos that are located in projects that consist exclusively of detached dwellings, condos must be appraised on Form 1073 or Form 1075 (Form 1075 may be used only when allowed by DU or LP).
11.	Does the special assessments field contain an amount?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – include the monthly amount in the PITIA
12.	Does the amount of monthly taxes listed on the appraisal support the amount shown in the PITIA payment?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Correct PITIA.  NOTE: If new construction confirm accurate amount.
13.	Has the subject been listed for sale within the 12 months preceding the appraisal date?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes make sure appraiser has provided the appropriate information for each listing. NOTE: If Refinance, property cannot currently be listed. If it is listed (unless investor guidelines differ) it should be removed from the market – Appraiser must verify its removal and an acceptable explanation letter from borrower is required.

CONTRACT				Actions/Comments/Notes
<i>The appraiser is required to complete this section for all Purchase transactions. Verify that the information in the section is consistent with the information contained in the sales contract.</i>				
14.	Did the appraiser review the sales contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Appraiser must review the sales contract on all purchase transactions.
15.	Does the information in this section of the appraisal agree with the information on sales contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Appraiser needs to clarify and make corrections.
16.	Are there any indicated seller concessions?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Confirm that the financing concessions meet agency guidelines.

NEIGHBORHOOD				Actions/Comments/Notes
<i>The information provided in this section will set the basis for the remainder of the report. Review closely for inconsistencies with other sections of the report.</i>				
17.	Is the location rural?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	NOTE: Pay attention to the other characteristics of the property (zoning, land use, degree of development, etc.) to determine whether property should be considered agricultural (as opposed to residential). Keep in mind agricultural or similar zoning may allow residential use.
18.	Does the location designation match what the map reflects (urban, suburban, rural)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Appraiser must provide an acceptable explanation for differences.
19.	Is the neighborhood less than 25% built up?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Appraiser must provide acceptable comments on degree of development. NOTE: Degree of development may indicate whether property is truly residential. Be sure that the property is not, in fact, agricultural in nature. In addition, be sure that the appraiser has not used “built up” to describe the subdivision alone.
20.	Are property values declining?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Check investor guidelines. NOTE: Maximum financing on properties in a declining market may be limited. Check investor guidelines.
21.	Does the demand/supply reflect an over supply?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Check investor guidelines. Appraiser must comment on the reason and its effect on the subject’s value. NOTE: If appraiser indicated that values are stable, further comments are warranted as this is possibly an indication of a market transitioning to declining.
22.	Is the marketing time more than six months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Appraiser must comment on the reason and its affect on the subject’s value. NOTE: If appraiser indicated that values are stable, further comments are warranted as this is possibly an indication of a market transitioning to declining.
23.	Is the sales price or appraised value higher than the predominant neighborhood price?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Appraiser must comment on whether the subject property is an overimprovement and the effect on marketability.
24.	Are there any land use changes (i.e. residential to commercial)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Appraiser must indicate the anticipated land use and comment on its affect on marketability of subject property.
25.	Are the appraiser’s comments consistent with the other neighborhood information?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Appraiser to provide further clarification. Example: Property Values are indicated as stable but Demand/Supply is indicated to be an Over Supply.

SITE				Actions/Comments/Notes
<i>Information in the Site section includes the legal and practical uses of the property and the line entries on the appraisal will help to establish the effect on the marketability.</i>				
26.	Does the site area meet the lender’s guidelines (i.e. maximum acreage limitations)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Loan may need to be declined or switched to another program that allows amount of acreage.
27.	Is the zoning classified as non-conforming or illegal?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Legal Non-Conforming (Grandfathered use): <ul style="list-style-type: none"> <li>1-4 family or PUD – Appraiser’s analysis must reflect any adverse affect on the value and marketability of the property. Most investors require that properties can be rebuilt in the event of partial or full destruction.</li> <li>Condo or Co-op – Appraiser must indicate that property can be rebuilt in the event of a partial or full destruction.</li> </ul> Illegal use: <ul style="list-style-type: none"> <li>1 - 2 unit w/illegal additional unit or accessory apartment (i.e. mother-in-law suite) – must conform to the subject neighborhood and market.</li> <li>Appraiser must demonstrate that improvements are typical for market by providing at least 3 comps that have the same illegal use.</li> <li>Check investor guidelines carefully regarding eligibility</li> </ul> NOTE: The size and value of the additional unit (apartment, etc.) should be of insignificant value as compared to the total value. <ul style="list-style-type: none"> <li>3-4 units w/illegal accessory apartment – IS NOT eligible for sale to the agencies.</li> </ul> No Zoning: <ul style="list-style-type: none"> <li>The property must be residential in nature based on the characteristics of the subject property, zoning, and present land use.</li> </ul>
28.	Is the present use indicated to be the highest and best use as improved?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Agencies will not purchase properties that do not constitute the highest and best use and it must be residential.
29.	Is the property located on a private road?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Recorded road maintenance agreement is typically required. GSE’s may allow lender to indemnify them from losses or expenses related to physical condition of the street.
30.	Are there any negative comments in the site section?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Carefully review to make sure there is not anything that would have a negative effect on marketability of subject.



IMPROVEMENTS				Actions/Comments/Notes
<i>The Improvements section will describe the structure as well as any unique features of the subject property.</i>				
31.	Is there a substantial difference between the actual age of the property and the effective age?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes - Did the Appraiser provide a reasonable explanation for the substantial difference in actual age and effective age. Additionally, is the effective age consistent with the condition rating and any condition description given for the subject property?
32.	Is there an indication of foundation dampness, settlement or infestation?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes - Appraiser must comment on the effect on marketability and value of the subject. The underwriter may need to condition for evidence that the problem has been corrected or to provide a professional report indicating that the problem does not pose any threat of structural damage to the improvements.
33.	Does the room count and square footage agree with page two of the report and the building sketch?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No - Appraiser must correct. NOTE - Pay particular attention to any below grade area to make sure Appraiser is not including this in the gross living area unless a reasonable explanation is provided by the appraiser and the GLA is calculated in a consistent manner for the subject property and comparable sales.
34.	Does the exterior or interior materials/condition description reflect any "fair, poor or inadequate" ratings?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes - Appraiser must address impact on value and marketability and make appropriate adjustments in the sales comparison section.
35.	Are there any negative comments in the improvements section, if appraisal is "not" subject to repairs?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes - Appraiser will need to comment. See UAD job aid if needed. FNMA - C-6 subject to repair, Freddie - C5 or C-6 subject to repair.

SALES COMPARISON APPROACH				Actions/Comments/Notes
<i>In this section review the comparables in relation to the subject property, pay special attention to large adjustments and verify that they are adequately supported in the appraiser's comments. Review all information in order to determine if the comparables adequately support the final value of the subject property.</i>				
36.	Did the appraiser indicate number of comparable properties currently listed and sold in the neighborhood?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No - Request that the Appraiser complete.
37.	Is the source of data acceptable?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No - Appraiser must re-verify the data with a party that is acceptable or use additional sources. NOTE: The appraiser must use a source that provides quality sales data that is confirmed or verified by closed or settled transactions. Data from a source with a financial interest in the sale or financing of subject property must be verified by a disinterested source
38.	Are the comparable sales located within subject neighborhood?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No - Appraiser should adequately explain why he has chosen comps outside of the neighborhood and why a competing neighborhood is comparable to the subject neighborhood. NOTE: Leaving the neighborhood may be justified when: - Site influence (water, golf course, etc.). - Few sales, few listings (undersupply). - Unique area (historical, etc.). - Rural or non-conforming area.
39.	Are there three comparable sales that have closed within 6 months of the appraisal date?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No - Appraiser must adequately explain reasoning for using comps older than 6 months. In Stable Markets Older comps may be used if the appraiser believes it is appropriate and selects comps that are the best indicators of value and the appraiser provides a narrative that supports the need for using older comps. In Declining Markets - Follow investor's Declining Market Policies.
40.	Is property in a new subdivision or a new (or recently converted) condo or PUD project?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes - Appraiser must provide at least 1 comp from the subject subdivision or project and one comp from outside the subject subdivision or project. NOTE: At least one of the comparables used MUST be outside of the influence of the builder/developer/seller, and it is preferred that any comparables from within the subject subdivision not involve the builder or developer of the subject property.
41.	Are the comparables similar to the subject? Compare the locations, designs, gross living areas, room counts, ages, conditions and other amenities of the comparables to the subject.	Yes <input type="checkbox"/>	No <input type="checkbox"/>	The appraiser must explain why the specific comps were chosen. Adjustments to the comparables must be reasonable and should be explained and supported. BE AWARE OF: Use of across the board adjustments (particularly if not explained or supported by information). Square footage adjustments that are not consistent for each comp. NOTE: For properties in Rural Areas and Small Communities large adjustments can often be expected. In these situations verify that the appraiser has used sound judgment and provided reasonable explanations for large adjustments.
42.	Is our subject a Non-Traditional/Atypical home (Log, Earth, Geodesic)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes - Check investor guidelines for acceptable property types. Most investors will require that at least 1 of the comps be of the same design. NOTE: For FNMA and FHLMC The property is Acceptable - If the appraiser cannot locate recent comps of the same design and appeal, but is able to determine sound adjustments for the differences to demonstrate the marketability of the property - based on older comps, comps in competing neighborhoods, existence of similar properties in the market area, etc. The property is NOT Acceptable - If the appraiser is unable to find any evidence of market acceptance and the property is so significantly different that value cannot be established.
43.	Has the subject had any prior sales or transfers within the 3 years preceding the effective date of the appraisal?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes - review investor and MI guidelines. Note any increase in value and verify that it is reasonable and supported. If necessary request that the appraiser provide further information on previous sales and any repairs/renovations including the dollar amount associated with the repairs/renovations.
44.	Have the comps had any prior sales or transfers for the year prior to the date of sale of the comparable sale?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes -. The appraiser should provide an analysis of the prior sale or transfer history.

RECONCILIATION				Actions/Comments/Notes
<i>This section provides the final estimate of market Value.</i>				
45.	Is the appraisal made "subject to completion, repairs or inspections"?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – Condition for property completion/repairs/inspections.
46.	Is the appraisal less than 1 year old and will it be at the time of loan closing?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – A new appraisal will be required.
47.	Is the appraisal less than 120 days old and will it be at the time of loan closing?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – the appraiser must inspect the exterior of the property and provide an Appraisal Update and/or Completion Report (Form 442/1004D) indicating that the property has not declined in value. Check investor and MI guidelines.
48.	Explain why Market Value is or is not supported:			

COST APPROACH				Actions/Comments/Notes
<i>The Cost Approach section is only required when the appraiser is relying on this method to determine the value of the property. Note that while it may not be required, if the section is completed, the underwriter is required to review and consider the information.</i>				
49.	Has the cost approach section been completed?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes – the underwriter is required to review the section even if the completion was not required. NOTE: GSE's agree that appraisal reports that rely primarily on the cost approach to estimate market value are unacceptable.
50.	Is the land to value ratio typical for the area?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No - Make sure loan is for residential property as opposed to a land development or agricultural loan. Be sure to check investor guidelines.
51.	Is the indicated value by Cost Approach in line with the Sales Comparison Approach?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Appraiser should comment on the appropriateness of using the Cost Approach and explain why there is a significant difference in value.

PUD				Actions/Comments/Notes
52.	When the property is located in a PUD and the developer/builder is in control of the HOA <b>AND</b> it is an attached unit, has the appraiser completed this section?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Condition as prior to close for the Appraiser to complete this section of the appraisal.

1004MC				Actions/Comments/Notes
53.	Has the Market Conditions Addendum been completed?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Request that the appraiser complete.
54.	Does the information on the 1004MC support the information contained in the One-Unit Housing trends in the neighborhood section?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Request that the appraiser provide an explanation why the information is conflicting.
55.	What are your conclusions regarding the current market conditions?			

APPRAISER'S SIGNATURE AND CERTIFICATION				Actions/Comments/Notes
56.	Is the appraiser on the lender's approved list or employed by and approved AMC?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If the lender or investor uses an approved list, be sure to verify that the Appraiser is approved. If the lender or investor has an exclusionary list, verify that the Appraiser is not listed.
57.	Is the appraisal signed and dated?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Condition as a prior to close for the Appraiser to sign and date the appraisal.
58.	Is the appraiser's certification or license number and expiration date entered?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Condition as a prior to close for the Appraiser to complete certification or license #.
59.	If required, has the supervisory information been completed and signed by supervisor?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If No – Condition as a prior to close for the Supervisory Appraiser to complete and sign.

Date of Appraisal: \_\_\_\_\_

Appraised (Market) Value: \_\_\_\_\_

Are any changes required? Are there conditions associated with the appraisal report? Are there any clarifications required of the appraiser?

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NOTES:

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At the direction of the Federal Housing Finance Agency (FHFA), Fannie Mae and Freddie Mac have developed the Uniform Appraisal Dataset (UAD) in order to improve the quality and consistency of appraisal data. **The role of the underwriter in reviewing the appraisal has not changed as a result of the UAD.** The UAD is not a replacement for the underwriter's review, nor does compliance with the UAD relieve lenders of their responsibility to meet agency policies and guidelines related to appraisal and property eligibility. The data itself is not changing; what is changing is the way the data is presented.

## Data Standardization Abbreviations

Abbreviation	Full Name	Fields Where This Abbreviation May Appear
ac	Acres	Area, Site
AdjPrk	Adjacent to Park	Location
AdjPwr	Adjacent to Power Lines	Location
A	Adverse	Location & View
ArmLth	Arms Length Sale	Sale or Financing Concessions
ba	Bathroom(s)	Basement & Finished Rooms Below Grade
br	Bedroom	Basement & Finished Rooms Below Grade
B	Beneficial	Location & View
Cash	Cash	Sale or Financing Concessions
CtySky	City View Skyline View	View
CtyStr	City Street View	View
Comm	Commercial Influence	Location
c	Contracted Date	Date of Sale/Time
Conv	Conventional	Sale or Financing Concessions
CrtOrd	Court Ordered Sale	Sale or Financing Concessions
DOM	Days on Market	Data Sources
e	Expiration Date	Date of Sale/Time
Estate	Estate Sale	Sale or Financing Concessions
FHA	Federal Housing Administration	Sale or Financing Concessions
GlfCse	Golf Course	Location
Glfvw	Gold Course View	View
Ind	Industrial	Location & View
in	Interior Only Stairs	Basement & Finished Rooms Below Grade
Lndfl	Landfill	Location
LtdSght	Limited Sight	View
Listing	Listing	Sale or Financing Concessions
Mtn	Mountain View	View
N	Neutral	Location & View
NonArm	Non-Arms Length Sale	Sale or Financing Concessions
BsyRd	Busy Road	Location
o	Other	Basement & Finished Rooms Below Grade
Prk	Park View	View
Pstrl	Pastoral View	View
PwrLn	Power Lines	View
PubTrn	Public Transportation	Location
rr	Recreational (Rec) Room	Basement & Finished Rooms Below Grade
Relo	Relocation Sale	Sale or Financing Concessions
REO	REO Sale	Sale or Financing Concessions
Res	Residential	Location & View
RH	USDA-Rural Housing	Sale or Financing Concessions
s	Settlement Date	Date of Sale/Time
Short	Short Sale	Sale or Financing Concessions
sf	Square Feet	Area, Site, Basement
sqm	Square Meters	Area, Site
Unk	Unknown	Date of Sale/Time
VA	Department of Veterans Affairs	Sale or Financing Concessions
w	Withdrawn Date	Date of Sale/Time
wo	Walk Out Basement	Basement & Finished Rooms Below Grade
wu	Walk Up Basement	Basement & Finished Rooms Below Grade
WtrFr	Water Frontage	Location
Wtr	Water View	View
Woods	Woods View	View

**Condition Ratings and Definitions**

Rating	Definition
C1	The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.
C2	The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.
C3	The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.
C4	The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.
C5	The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.
C6	The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

**Definitions of Not Updated, Updated and Remodeled**

Description	Definition
<b>Not Updated</b>	<b>Little or no updating or modernization. This description includes, but is not limited to, new homes.</b> Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.
<b>Updated</b>	<b>The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.</b> An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.
<b>Remodeled</b>	<b>Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.</b> A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of square footage). This also includes a complete gutting and rebuild.

**Explanation of Bathroom Count**

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period. **Example: 2 Full and 1 Half Baths = 2.1**



## Quality Ratings and Definitions

Rating	Definition
Q1	Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.
Q2	Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.
Q3	Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.
Q4	Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.
Q5	Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.
Q6	Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

## Standardization Tips and Shortcuts

Field	Requirements
Lender/client	Only the lender should be entered in the Lender/Client field on page one. Any applicable Appraisal Management Company should be listed in the Lender/Client "Name" field of the Appraiser Certification Section on page 6.
Site and Area	Areas less than one acre should be designated in whole numbers only and square feet. For an area greater than one acre, it must be measured in acreage up to two decimal places. The unit of measure should be indicated as "sf" or "ac". <b>Right:</b> 23569 sf; 1.34 ac <b>Wrong:</b> 48560 sf; 4 acres Note: 43,560 square feet = 1 acre
Estimation of Year Built: ~ must precede the estimation	When the year the subject property was built is unknown or unavailable to the appraiser within the normal course of business, an estimate is acceptable. However, a tilde (~) has to precede the estimate of the year the subject was built. <b>Right:</b> ~1948; ~42 <b>Wrong:</b> 1948 (estimate); est. 42
Currency Formats: Whole dollar only, no \$ signs	Currency fields throughout the appraisal must be entered in whole dollar format and shouldn't include the dollar sign. <b>Right:</b> 1856 <b>Wrong:</b> 1856.61; \$1856; \$1856.61
Date Formats: MM/DD/YYYY	Unless otherwise stated, date formats should be entered as MM/DD/YYYY. In the case where only a year format is required, like Tax Year, a 4 digit year is required. <b>Right:</b> 09/01/2011 <b>Wrong:</b> 9/1/2011; 9/1/11
Price of Prior Sale/Transfer: Whole dollar, include \$ sign	The exception to the currency rule (previously stated) <i>where all currency fields must be represented in whole dollars and not contain a dollar sign</i> , is the Price of Prior Sale/Transfer field below the sales comparison grid. When entering prior sales or transfers of the subject or its comparables, simply include the dollar sign. <b>Right:</b> \$295,000 <b>Wrong:</b> 295,000; \$295,000.59