



For Arch MI and Arch MI for Credit Unions

Analyzing Appraisals for Single-Family Residences

Identifying the Key Areas of the Uniform Residential Appraisal Report

an APPRAISAL course





Legal Disclaimer



Arch Mortgage Insurance Company is providing this training to you for use as a training tool only. These materials are not intended nor should they be relied upon for any other purpose, including underwriting actual mortgage loans without independent verification and testing by your in-house quality control and/or compliance personnel or actual preparation of documents, which may be presented in the materials. All materials presented are samples for illustrative purposes only.





Objectives



Learn Roles and Responsibilities: ■ Lender. Underwriter. Appraiser. **Know Key Areas to Review on the Appraisal Report.**





Roles and Responsibilities

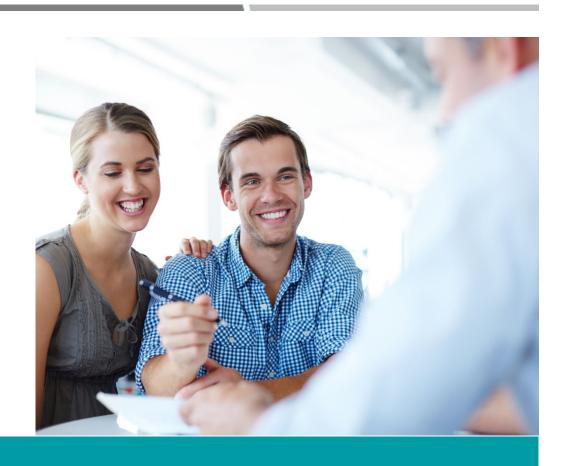




Roles and Responsibilities: Lender



- Selecting a knowledgeable and experienced appraiser:
 - Professional-quality appraisal.
 - Familiar with geographic location.
 - Familiar with property type.
 - Access to data sources.



Accountable for the performance of the appraiser they select.



Roles and Responsibilities: Underwriter



- Review entire appraisal for:
 - Completeness.
 - Accuracy.
 - Consistency.
- Ensure determination of property value.

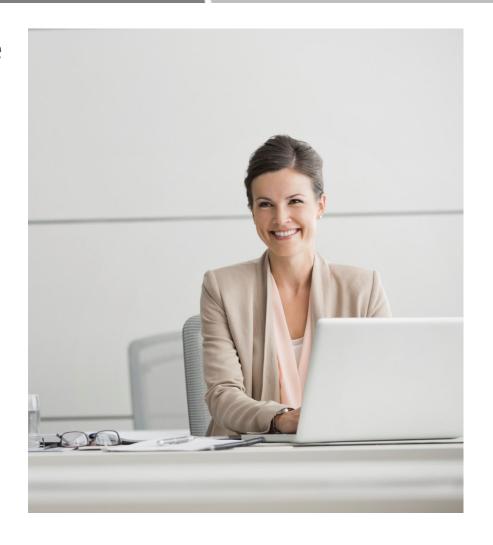




Roles and Responsibilities: Appraiser



- Provide complete and accurate reports:
 - Neighborhood and property conditions.
 - Describe favorable and unfavorable factors.
 - Be impartial and avoid subjectivity.
- Present an opinion of value based on market data, analysis and judgment.

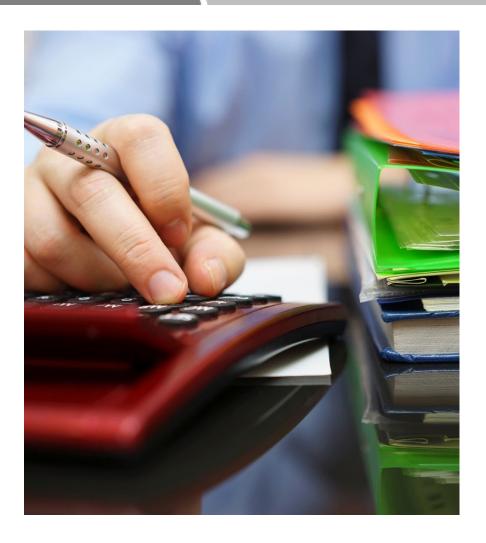




Roles and Responsibilities: Appraisal Report



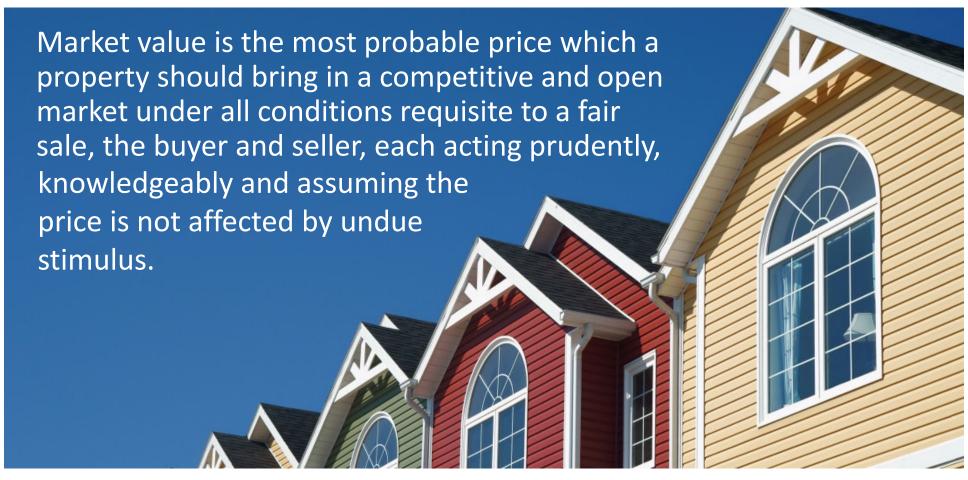
- Provides lender/client an opinion of the market value of the subject property:
 - Accurate.
 - Adequately supported.





Market Value*





*Source Fannie Mae



Market Value*



- Consummation of a sale as of a specified date and the passing of title from seller to buyer under the following conditions:
 - Typically motivated.
 - Well-informed or well-advised.
 - Reasonable time.
 - Cash or equivalent.
 - Financing under typical terms.
 - Price represents normal consideration.

*Source Fannie Mae







Keys Areas to
Review on the
Appraisal Report





Uniform Residential Appraisal Report



- Aka URAR or Fannie Mae 1004 or Freddie Mac 70.
- For 1-unit property, including:
 - Accessory unit.
 - Planned Unit Development (PUD) unit.
- NOT for manufactured home, condominium or cooperative project.

					l Appra			File#		
The purpose of this summary appreisal	report is to pro	vide the len	den/client w	ith an acc	urate, and adequa	dely supported, o	pinion of the r	narket valu	e of the subject p	roperty.
Property Address					City			State	Zip Code	
Borrower			Owner of	Public Re	cord			County		
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Assessor's Parcel #					Tax Year			R.E. Taxes		
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Assignment Type Purchase Trans	action Re	finance Tres			lescribe)					
Lender/Client			Address							
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Growth Rapid Stable	Slow	Marketing	Time 🔲 L	Inder 3 mb	rs 3-6 mths	Over 6 mths	Lo		Multi-Femily	%
Neighborhood Boundaries							Hig		Commercial	%
							Pre	d.	Other	%
Neighborhood Description										_
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is the highest and best use of the subje							une? 🗆 Yes	. □ No	f No. describe	
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Subject Section







Subject Section



	Uniform Residential Apprais	sal Report						
The purpose of this summary appraisal report is t	o provide the lender/client with an accurate, and adec	quately supported, opinion of t	the market value of the subject property.					
Property Address 3123 Pine Lodge Road	City Eau Cla	aire	State W1 Zip Code 54701-8178					
Borrower	Owner of Public Record		County Eau Claire					
Legal Description S26/T27/R09, PRT OF THE SW	-SW DESC AS COM AT A PT 40' E OF THE SW COR	OF SD 40 TN N 389' TO BG TN	I N 174' TN E 250' TN S 174' TN W 250' TO POE					
Assessor's Parcel # 024-1212-04-000		Tax Year 2019	R.E. Taxes \$ 2,124					
Neighborhood Name NA	Map Reference	<u>N</u> A	Census Tract 0003.02					
Occupant X Owner Tenant Vacan	nt Special Assessments \$ 0	PUD HOA \$ 0	per year per month					
Property Rights Appraised X Fee Simple	Leasehold Other (describe)							
Assignment Type X Purchase Transaction	Refinance Transaction Other (describe)							
Lender/Client Royal Credit Union	Address 200 Riverfront Terrace	e, Eau Claire, WI 54703						
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? X Yes No								
Report data source(s) used, offerings price(s), a	Report data source(s) used, offerings price(s), and date(s). DOM 45; Subject property was offered for sale.; Latest Price \$149,950; Latest Date							
06/02/2019 Original Price \$144,950;Original Date 04/28/2019 nls # 875797								

• Information matches loan application:

- Property address.
- Borrower.
- Owner of public record.
- Occupancy status (owner, tenant, vacant).
- Lender/client.
- Assignment type (purchase, refinance, other).



Subject Section



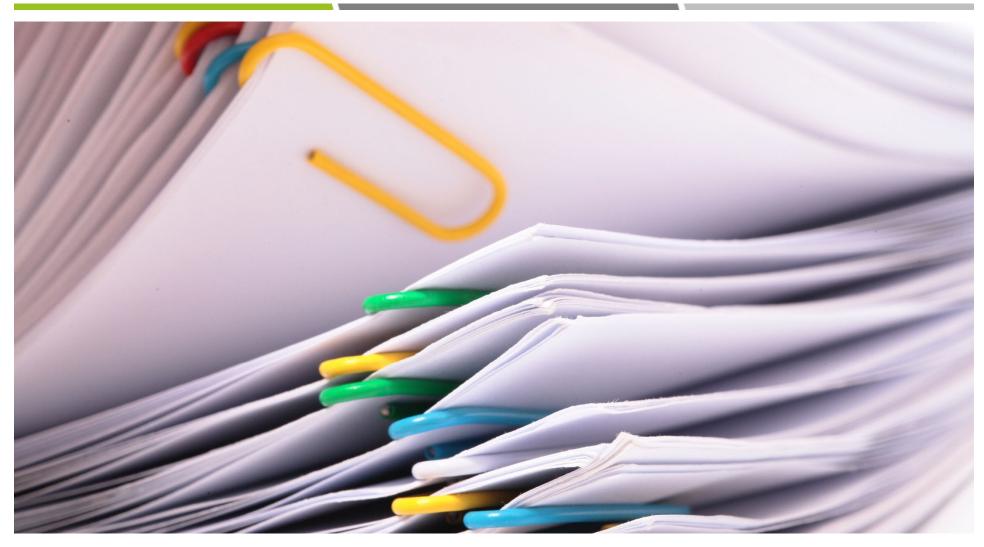
Uniform F	Residential Appraisal Repo	rt						
The purpose of this summary appraisal report is to provide the lender/cl	lient with an accurate, and adequately support	rted, opinion of the market value of the subject property.						
Property Address 3123 Pine Lodge Road	City Eau Claire	State W1 Zip Code 54701-8178						
Borrower Owner of Pub	lic Record	County Eau Claire						
Legal Description S26/T27/R09, PRT OF THE SW-SW DESC AS COM A	T A PT 40' E OF THE SW COR OF SD 40 TN	N 389' TO BG TN N 174' TN E 250' TN S 174' TN W 250' TO POB						
Assessor's Parcel # 024-1212-04-000	Tax Year	2019 R.E. Taxes \$ 2,124						
Neighborhood Name NA	Map Reference NA	Census Tract 0003.02						
Occupant X Owner Tenant Vacant Special Assessmen	nts \$ 0 PUD	HOA \$ 0 per year per month						
Property Rights Appraised X Fee Simple Leasehold Ot	ther (describe)							
Assignment Type X Purchase Transaction Refinance Transaction	action Other (describe)							
Lender/Client Royal Credit Union Addre	ss 200 Riverfront Terrace, Eau Clair	e, WI 54703						
Is the subject property currently offered for sale or has it been offered for	for sale in the twelve months prior to the effect	tive date of this appraisal? X Yes No						
Report data source(s) used, offerings price(s), and date(s). DOM 45	Report data source(s) used, offerings price(s), and date(s). DOM 45; Subject property was offered for sale.; Latest Price \$149,950; Latest Date							
06/02/2019 Original Price \$144,950; Original Date 04/28/2	019 mls # 875797							

- Special assessments \$ (taxes, bonds, levies).
- Property rights = Fee simple.
- Listed for sale in last 12 months?



Contract Section







Contract Section

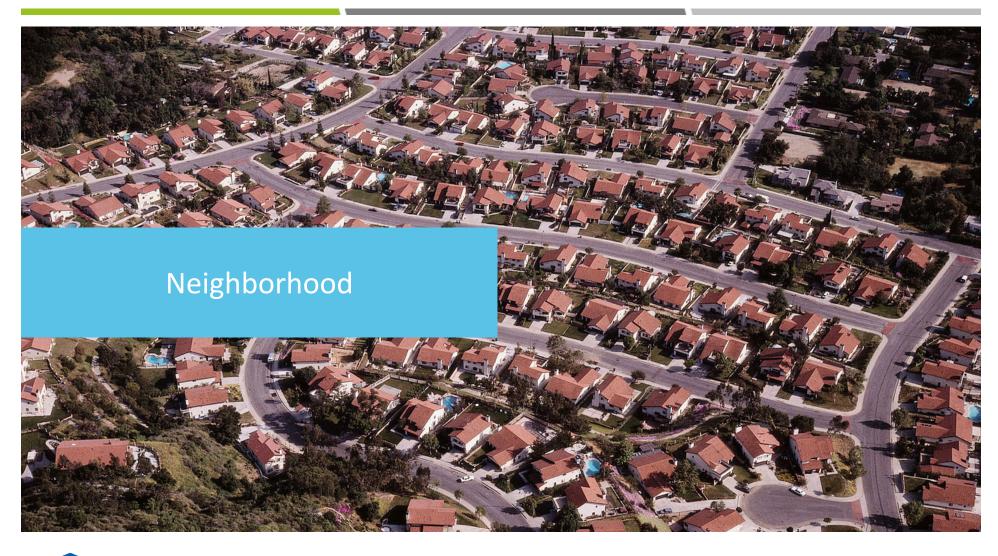


_	X did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not
0	performed. Arms length sale; The terms and conditions in the offer to purchase supplied to appraiser were typical for the market. No unusual items
N	were noted.
T	Contract Price \$ 154,000 Date of Contract 05/28/2019 Is the property seller the owner of public record? X Yes No Data Source(s) county website
R	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?
A	If Yes, report the total dollar amount and describe the items to be paid. \$0;;
C	
ı	

- Appraiser reviewed the sales contract.
- Analysis includes details of financial assistance.
- Seller = Owner of record.







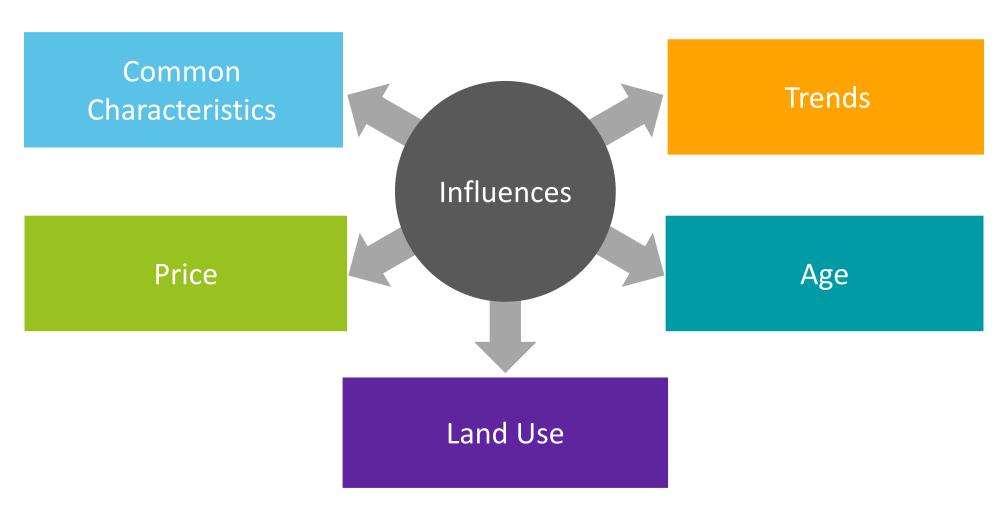
















Note: Rad	Note: Race and the racial composition of the neighborhood are not appraisal factors.																		
	Ne	ighborhoo	od C	haracteris	tics			0	ne-Unit Housi	ng '	rends .			One-U	nit Ho	using	Present Land Us	e %	
Location		Urban	Χ	Suburban		Rural	Property Values		Increasing	Χ	Stable		Declining	PRICE		AGE	One-Unit	80	%
Built-Up	Χ	Over 75%		25-75%		Under 25%	Demand/Supply		Shortage	Χ	In Balance		Over Supply	\$ (000)		(yrs)	2-4 Unit	10	%
Growth		Rapid		Stable	Χ	Slow	Marketing Time		Under 3 mths	X	3-6 mths		Over 6 mths	50	Low	1	Multi-Family		%
Neighbor	Neighborhood Boundaries North to the Eau Claire River, west to Rudolph Rd, south to Golf Rd, east to Elco Rd. 550 High 90 Commercial 5 %																		
3														125	Pred.	. 30	Other vac	5	%
Neighbor	100	d Descripti	on	This area	is	highly influ	enced by the ci	ity a	amenities th	at a	re conven	ient	to the a	rea. The	majo	or regio	nal shopping r	nall,	the
							south half of the												
stable w	ith	a diverse	e e	mployme	nt b	ase.													
Market C	Market Conditions (including support for the above conclusions) Homes in this area are in good demand. Seller paid point or concessions are relatively rare.																		
	Conventional financing is most common with some occasional cash sales and government loans.																		
	Conventional linearity is most common with some occasional cash sales and government loans.																		

- Neighborhood characteristics to pay close attention to:
 - Rural.
 - Under 25% built-up.
 - Slow growth.





Note: Race and the racial composition of the neighborhood are not appraisal factors.																			
N	Ne	ighborhoo	od C	haracteris	tics			0	ne-Unit Housi	ng '	Frends			One	Unit Ho	using	Present Land Us	e %	
Location		Urban	Χ	Suburban		Rural	Property Values		Increasing	Χ	Stable		Declining	PRICE		AGE	One-Unit	80	%
Built-Up	Χ	Over 75%		25-75%		Under 25%	Demand/Supply		Shortage	Χ	In Balance		Over Supply	\$ (00	0)	(yrs)	2-4 Unit	10	%
Growth		Rapid		Stable	Χ	Slow	Marketing Time		Under 3 mths	X	3-6 mths		Over 6 mths	50	Low	1	Multi-Family		%
Neighbor	100	d Boundarie	es	North to th	ne E	au Claire Ri	ver, west to Rudo	lph	Rd, south to	Go	f Rd, east t	o El	co Rd.	550	High	90	Commercial	5	%
В														125	Pred.	30	Other vac	5	%
Neighbor	100	d Description	on	This area	is	highly influ	enced by the ci	ty a	amenities th	at a	re conven	ient	to the a	rea. Th	e majo	or region	nal shopping i	nall,	the
city swin	nmi	ing pool, t	the	high sch	ool	serving the	south half of the	e ci	ity, and man	y cł	nurches ar	e al	located	within a	few m	inutes o	drive. The eco	nom	y is
o stable w	/ith	a diverse	e e	mployme	nt b	ase.													
Market C	Market Conditions (including support for the above conclusions) Homes in this area are in good demand. Seller paid point or concessions are relatively rare.																		
Conventional financing is most common with some occasional cash sales and government loans.																			

- One-unit housing trends to pay close attention to:
 - Declining property value.
 - Oversupply.
 - Marketing times over six months.





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 %																			
	Mei	gribornoc	_	,	lics				nie-onit nousi	_					шипо		Present Land Us	e %	
Location		Urban	X	Suburban		Rural	Property Values		Increasing	X	Stable		Declining	PRICE		AGE	One-Unit	80	%
Built-Up	Χ	Over 75%		25-75%		Under 25%	Demand/Supply		Shortage	Χ	In Balance		Over Supply	\$ (000)		(yrs)	2-4 Unit	10	%
Growth		Rapid		Stable	Χ	Slow	Marketing Time		Under 3 mths	X	3-6 mths		Over 6 mths	50	Low	1	Multi-Family		%
Neighbor	hood	d Boundari	es	North to the	ne E	au Claire Ri	ver, west to Rudo	olph	Rd, south to	Go	f Rd, east to	o El	co Rd.	550	High	90	Commercial	5	%
														125	Pred.	30	Other Vac	5	%
Neighbor	hood	d Descripti	on	This area	a is	highly influ	enced by the ci	ty a	amenities th	at a	re conven	ient	to the ar	ea. The	majo	or region	nal shopping r	mall,	the
city swir	nmi	ng pool,	the	high sch	ool	serving the	south half of the	e c	ity, and man	y cł	nurches are	e all	located	within a f	ew m	inutes o	drive. The eco	nomy	/ is
stable v	/ith	a diverse	e e	mployme	nt b	ase.													
Market Conditions (including support for the above conclusions) Homes in this area are in good demand. Seller paid point or concessions are relatively rare.																			
Conventional financing is most common with some occasional cash sales and government loans.																			

One-unit housing:

- Appraised value of the subject property is within the high and low range of price or age for housing in the neighborhood.
- Neighborhood and marketing:
 - Consistent.



Site Section







Site Section



Dimensions 174x250	Area	1.00	ac Sha	pe rectangular	View N;Res;		
Specific Zoning Classification RL	Zonin	ig Des	cription single family i	residential allowed, large	lot		
Zoning Compliance X Legal Legal Nonconforming (Gran	dfathere	d Use)	No Zoning Ille	egal (describe)			
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? X Yes No. If No., describe.							
Utilities Public Other (describe)	Public	Oth	er (describe)	Off-site Improvements	sType Pul	olic Private	
Electricity X Water		X	private	Street bituminous			
Gas X Sanitary Sewe	r \square	X	private	Alley none)		
FEMA Special Flood Hazard Area Yes X No FEMA Flo	od Zone	Χ	FEMA Mag	# 55035C0062F	FEMA Map Date 04/	16/2020	
Are the utilities and/or off-site improvements typical for the marke	area?	X Ye	es No If No, describ	be.			
Are there any adverse site conditions or external factors (easeme	nts, encr	oachm	ents, environmental cond	itions, land uses, etc.)?	Yes X No If Yes, de	escribe.	
Site is typical for the neighborhood. Subject is across the street from an elementary school, an attractive location for families with school age							
children. The subject is set far enough off the street the	nat the	schoo	ol is not a negative di	straction for owners with	out school age chi	ldren.	
			<u> </u>				

- Site conforms to neighborhood.
- Property conforms to current zoning.
- Highest and best use is residential.
- Utilities and off-site improvements are typical for area.
- Street is publicly maintained.
- Free from adverse conditions.

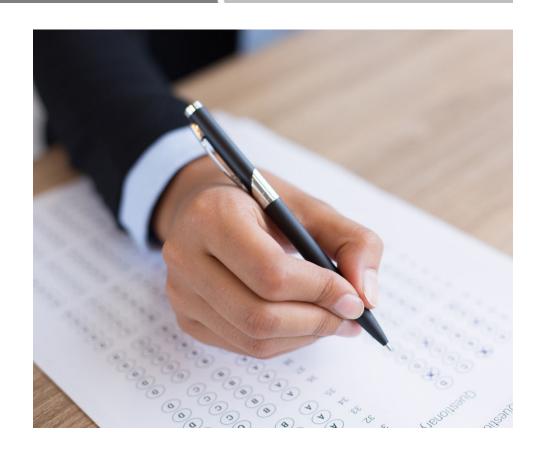


Knowledge Check One



Is the following **True** or **False**?

"No Zoning" can be an acceptable designation.





Check Your Understanding One



The answer is *True*.

"No Zoning" can be an acceptable designation.

Dimensions 174x25	50	Area	1.00 a	ac Shar	e rectangular	View N;Res;			
Specific Zoning Classif	fication RL	Zonii	ng Desc	cription single family r	esidential allowed, large	lot			
Zoning Compliance	X Legal N Legal N	onconforming (Grandfathere	d Use)	No Zoning Ille	gal (describe)				
Is the highest and bes	t use of subject property	as improved (or as propose	ed per p	lans and specifications) t	he present use? X Yes	No If No, descri	ibe.		
Utilities Public Otl	her (describe)	Public	Othe	er (describe)	Off-site Improvements	sType	Public	Private	,
Electricity X		Water	X	private	Street bituminous		X		
Gas X		Sanitary Sewer	X	private	Alley none		X		
FEMA Special Flood H	Hazard Area Yes	X No FEMA Flood Zone	X	FEMA Map	# 55035C0062F	FEMA Map Date	04/16/20	020	
Are the utilities and/or	off-site improvements t	pical for the market area?	X Ye	s No If No, describ	oe.				
Are there any adverse	site conditions or exter	nal factors (easements, encr	oachme	ents, environmental cond	tions, land uses, etc.)?	Yes X No If Yes	s, describe).	
Site is typical for the	he neighborhood. S	ubject is across the str	eet fro	m an elementary sc	nool, an attractive location	on for families w	ith scho	ol age	
children. The subje	ect is set far enoug	n off the street that the	schoo	l is not a negative di	straction for owners with	out school age	children		











	General I	Doo	orintion		E.	ounda	otion		Exterior Desc	rintion		naterials/condition	Into	rior	material	s/condition	
			with Accessory Unit	(-	Concrete			Crawl Space				te block/average	1000000		wood/cpt/a		
	# of Stories 1.5	JIIC	with Accessory Offic	_	Full Baser	_		artial Basement	Exterior Walls			p/average	Wa	301	textured/av		
		Att.	S-Det./End Unit					sq. ft.	Roof Surface			es/average			wood/avera		
	X Existing Pro				ement Finis			% Sq. 1t.	Gutters & Dov				Bath Floor inlaid/average				
	Design (Style) cape				Outside E	0.77		Sump Pump	Window Type	_		sement/good	100.00	it/ave			
		195		Evid	dence of		estatio		Storm Sash/Ir					Storage			
п	Effective Age (Yrs)				Dampnes	_		lement	Screens		es/go			Drivew		s 0	
М	Attic		None	Hea	ting X FW	_	HWB	B Radiant	Amenities		V	Woodstove(s) #	Driv	eway Su	urface grave	ı	
P	Drop Stair		Stairs		Other	F	Fuel L	P gas	X Fireplace(s)# 1	F	ence		Garage			
R	Floor	X	Scuttle	Coo	oling X			Conditioning	X Patio/Deck		: F	Porch		Carport		0	
	Finished		Heated		Individual		Other	0	Pool			Other		Att.	X Det.	Built-in	
0	Appliances Refr	iger	ator Range/Ove	n X	Dishwash	er	Disp	osal Micro	wave Was	her/Dry	yer	Other (describe)					
٧	Finished area abov	e ç	grade contains: 7		Rooms	3	В	Bedrooms 1.0	Bath(s)	1,486	6	Square Feet of G	ross	Living A	rea Above Gr	ade	
Ε	Additional features (s	pec	ial energy efficient ite	ems,	etc.) Hou	ise is	set	back off roa	d for better	han a	overaç	ge privacy. Nice r	eme	odeled	mudroom o	off back of	
М	home includes lau								2017-22								
Ε	Describe the condition											;Kitchen-remode			_		
Ν	ago;Bathrooms-up	oda	ted-six to ten year	s ag	go;This ho	me h	nas b	een maintai	ned well and	based	d on a	a visual inspection	ap	pears to	o require no	significant	
т	repairs.																
S																	
					re a .			1.704			.,		14	VN	16 1/ 1	7	
	Are there any physic	al de	eficiencies or adverse	e cor	iditions that	affect	t the Ir	vability, sound	ness, or structi	iral inte	egrity o	of the property?	Yes	X No	If Yes, desc	nbe	
	Does the property ge	ner	ally conform to the ne	eiahh	orbood (fur	ctiona	al utilit	v style condit	ion use const	uction	etc \2	X Yes No	If No	o. describ	10		
	bocs the property ge	HICH	any controller to the ric	Jigilio	omood (lui	Outili	ar utilit	y, style, collul	ion, use, const	uotion,	, c.o.j!	X 103 110	11110	, acsonk			

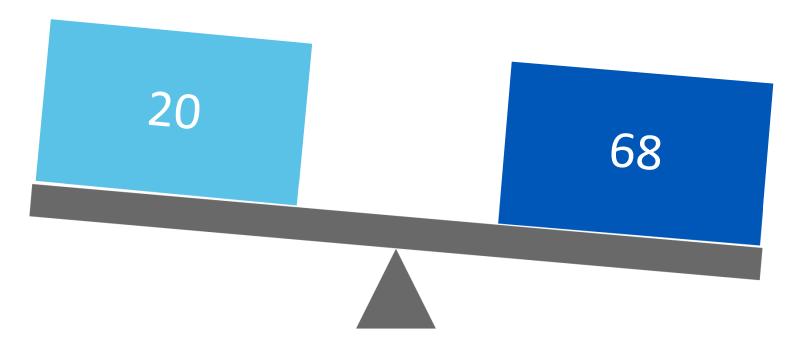
General description:

Effective age and actual age.





$$2020 - 1952 = 68$$







General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units X One One with Accessory Unit	Concrete Slab Crawl Space	Foundation Walls concrete block/average	Floors wood/cpt/ave
# of Stories 1.5	X Full Basement Partial Basement	Exterior Walls vinyl lap/average	Walls textured/average
Type X Det. Att. S-Det./End Unit	Basement Area 810 sq. ft	Roof Surface shingles/average	Trim/Finish wood/average
X Existing Proposed Under Const.	Basement Finish 85 %	Gutters & Downspouts none	Bath Floor inlaid/average
Design (Style) cape cod	Outside Entry/Exit Sump Pump	Window Type d.h./casement/good	Bath Wainscot mod.unit/ave
Year Built 1952	Evidence of Infestation	Storm Sash/Insulated yes/good	Car Storage None
Effective Age (Yrs) 20	Dampness Settlement	Screens yes/good	Driveway # of Cars 0
Attic None	Heating X FWA HWBB Radian	Amenities Woodstove(s) #	Driveway Surface gravel
Drop Stair Stairs	Other Fuel LP gas	X Fireplace(s) # 1 Fence	X Garage # of Cars 2
Floor X Scuttle	Cooling X Central Air Conditioning	X Patio/Deck conc Porch	Carport # of Cars 0
Finished Heated	Individual Other	Pool Other	Att. X Det. Built-in
Appliances Retrigerator Range/Over		rowave Washer/Dryer Other (describe)	
Finished area above grade contains: 7	Rooms 3 Bedrooms 1.		ross Living Area Above Grade
Additional features (special energy efficient ite	ms, etc.) House is set back off ro	ad for better than average privacy. Nice	remodeled mudroom off back of
home includes laundry area.			
		ions, remodeling, etc.). C4;Kitchen-remode	
N	s ago;This home has been mainta	ined well and based on a visual inspection	nappears to require no significant
repairs.			
8			
	F		V V N- KV J
Are there any physical deficiencies or adverse	conditions that affect the livability, soun	dness, or structural integrity of the property?	Yes X No If Yes, describe
Does the property generally conform to the ne	ighborhood (functional utility style cond	ition use construction etc.\2 \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	If No, describe
boes the property generally conform to the ne	ignibornood (idnononal dunty, style, cond	illion, use, construction, etc.)? X Tes No	II NO, describe

Comments:

Remodeling and improvements.





General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units X One One with Accessory Uni		Foundation Walls concrete block/average	
# of Stories 1.5	X Full Basement Partial Basemer	t Exterior Walls vinyl lap/average	Walls textured/average
Type X Det. Att. S-Det./End Unit	Basement Area 810 sq. f		Trim/Finish wood/average
X Existing Proposed Under Const	Basement Finish 85 %	Gutters & Downspouts none	Bath Floor inlaid/average
Design (Style) cape cod	Outside Entry/Exit Sump Pum	Window Type d.h./casement/good	Bath Wainscot mod.unit/ave
Year Built 1952	Evidence of Infestation	Storm Sash/Insulated yes/good	Car Storage None
Effective Age (Yrs) 20	Dampness Settlement	Screens yes/good	Driveway # of Cars 0
M Attic None	Heating X FWA HWBB Radian		Driveway Surface gravel
Drop Stair Stairs	Other Fuel LP gas	X Fireplace(s) # 1 Fence	X Garage # of Cars 2
Floor X Scuttle	Cooling X Central Air Conditioning		Carport # of Cars 0
Finished Heated	Individual Other	Pool Other	Att. X Det. Built-in
V		rowave Washer/Dryer Other (describe)	
Finished area above grade contains: 7	Rooms 3 Bedrooms 1.		Gross Living Area Above Grade
Additional features (special energy efficient in	ems, etc.) House is set back off ro	ad for better than average privacy. Nice	remodeled mudroom off back of
home includes laundry area.	in a mandad compile defection time compile	ione comodeline etc.) Of Kitch	Indiana Annual
		tions, remodeling, etc.). C4;Kitchen-remode	
	rs ago; rnis nome nas been maint	ained well and based on a visual inspection	appears to require no significant
T repairs.			
S			
Are there any physical deficiencies or advers	e conditions that affect the livability sour	ndness, or structural integrity of the property?	Yes X No If Yes, describe
Are there any physical deliciences of advers	e conditions that affect the hyability, soul	runess, or structural integrity of the property?	Tes X No II Tes, describe
Does the property generally conform to the n	eighborhood (functional utility, style, con-	dition, use, construction, etc.)? X Yes No	If No, describe
	7, 3, 3, 5		

Foundation:

No evidence of infestation, dampness or settlement.



Uniform Appraisal Dataset (UAD) Condition Ratings



Very recently constructed . ■ Have not previously been occupied. ■ No deferred maintenance, little **C1 C2** ■ The entire structure and all or no physical depreciation and components are new and the require no repairs. dwelling features no physical depreciation. Well-maintained. Some minor deferred **C3 C4** maintenance and physical Limited physical depreciation deterioration due to normal due to normal wear and tear. wear and tear. Substantial damage or deferred Obvious deferred maintenance. maintenance with deficiencies or **C5 C6** ■ In need of some significant repairs. defects that are severe enough to Some building components need affect the safety, soundness, or repairs, rehabilitation or updating. structural integrity.





	General Description			Foundation				ΙE	Exterior Description materials/condition		Interior materials/condition		s/condition		
			with Accessory Unit		Concrete	Slab	Crawl Space				ncrete block/average			wood/cpt/av	/e
	# of Stories 1.5				Full Base	ement	Partial Baseme	nt E	xterior Walls	vin	yl lap/average	Wa	lls	textured/av	erage
	Type X Det. Att. S-Det./End Unit			Basement Area 810 sq. ft.				Roof Surface shingles/average			Trim/Finish wood/average				
	X Existing Proposed Under Const.			Basement Finish 85 %			% (Gutters & Downspouts none			Bath Floor inlaid/average				
	Design (Style) cape cod			Outside Entry/Exit Sump Pump			_	Window Type d.h./casement/good			Bath Wainscot mod.unit/ave				
	Year Built 1952			Evidence of Infestation			_	Storm Sash/Insulated yes/good			Car Storage None				
		20		Щ	Dampne	_	Settlement	-	creens	yes	s/good	L	Drivew	*	0
	Attic	Н	None	Hea	_		HWBB Radia		menities	_	Woodstove(s) #		_	rface gravel	
	Drop Stair Floor		Stairs	Cor	Other	7	Fuel LP gas		K Fireplace(s) #		Fence	X	1		
ဖွာ		X	Scuttle		oling X		ral Air Conditionin	g II	Patio/Deck CO	nc	Porch	┝	Carport	# of Cars X Det.	Built-in
Appliances Refrigerator Range/Oven X Dishwasher Disposal Microwave Washer/Dryer Other (describe)									Au.	A Det.	Duilt-III				
									rea Above Gra	ide					
ROVEM															
¥															
_	ago;Bathrooms-up	odat	ted-six to ten year	rs ag	go;This h	ome h	nas been main	taine	d well and ba	sed	on a visual inspection	ap	pears to	require no	significant
	repairs.														
								Tax las	101/						
	Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes X No If Yes, describe									be					
		—													
	Does the property ge	nera	ally conform to the ne	eiahh	orhood (fu	nctions	al utility style co	nditio	use construct	ion e	etc.)2 X Yes No	If No	o, describ	P	
	bocs are property ge	11010	any connorm to the ne	Jigith	oniood (id	HOUGHIC	ar dunty, Style, col	MICHO	i, use, construct	ion, c	N 103 110		, acsonb		

- Exterior and interior condition:
 - At least average condition (C4).
 - No repairs.





General Description	Founda	ation Ex	Exterior Description materials/condition			Interior materials/condition		
Units X One One with Acces	sory Unit Concrete Slab	Crawl Space F	Foundation Walls cor	ncrete block/average	Floors	wood/cpt/ave		
# of Stories 1.5	X Full Basement	Partial Basement E	Exterior Walls vin	yl lap/average	Walls	textured/average		
Type X Det. Att. S-Det./	End Unit Basement Area 810	sq. ft. R	Roof Surface shi	ngles/average	Trim/Fir	nish wood/average		
X Existing Proposed Under	er Const. Basement Finish 85	5 % G	Gutters & Downspouts	none	Bath Flo	oor inlaid/average		
Design (Style) cape cod	Outside Entry/E	xit Sump Pump V	Window Type d.h	./casement/good	Bath Wa	ainscot mod.unit/ave		
Year Built 1952	Evidence of Infe	estation S	Storm Sash/Insulated	yes/good	Car Sto	rage None		
Effective Age (Yrs) 20	Dampness	Settlement S	Screens yes	s/good	Dr	riveway # of Cars 0		
Attic None	Heating X FWA	HWBB Radiant A	Amenities	Woodstove(s) #	Drivewa	ay Surface gravel		
Drop Stair Stairs	Other F	Fuel LP gas	X Fireplace(s) # 1	Fence	X Ga	rage # of Cars 2		
Floor X Scuttle	Cooling X Centr	ral Air Conditioning	X Patio/Deck conc	Porch	Ca	rport # of Cars 0		
Finished Heated	Individual	Other	Pool	Other	Att	. X Det. Built-in		
Appliances Refrigerator Ra	ange/Oven X Dishwasher	Disposal Microw	vave Washer/Drye	er Other (describe)				
Finished area above grade conta	ins: 7 Rooms 3	Bedrooms 1.0	Bath(s) 1,486	Square Feet of G	ross Livi	ng Area Above Grade		
Additional features (special energy e	efficient items, etc.) House is	s set back off road	for better than av	erage privacy. Nice r	emode	led mudroom off back of		
home includes laundry area.								
Describe the condition of the propert	ty (including needed repairs, de	terioration, renovations	s, remodeling, etc.).	C4;Kitchen-remode	led-six	to ten years		
ago;Bathrooms-updated-six to	ten years ago; This home h	has been maintaine	ed well and based	on a visual inspection	appea	ers to require no significant		
repairs.								
Are there any physical deficiencies of	or adverse conditions that affect	t the livability, soundne	ess, or structural integ	rity of the property?	Yes X	No If Yes, describe		
Does the property generally conform	to the neighborhood (functional	al utility, style, condition	n, use, construction, e	etc.)? X Yes No	If No, de	escribe		

No physical deficiencies.





General Description	Foundation	Exterior Description materials/condition	Interior materials/condition							
Units X One One with Accessory Unit	Concrete Slab Crawl Space	Foundation Walls concrete block/average	Floors wood/cpt/ave							
# of Stories 1.5	X Full Basement Partial Basemen	Exterior Walls vinyl lap/average	Walls textured/average							
Type X Det. Att. S-Det./End Unit	Basement Area 810 sq. ft	Roof Surface shingles/average	Trim/Finish wood/average							
X Existing Proposed Under Const.	Basement Finish 85 %	Gutters & Downspouts none	Bath Floor inlaid/average							
Design (Style) cape cod	Outside Entry/Exit Sump Pump	Window Type d.h./casement/good	Bath Wainscot mod.unit/ave							
Year Built 1952	Evidence of Infestation	Storm Sash/Insulated yes/good	Car Storage None							
Effective Age (Yrs) 20	Dampness Settlement	Screens yes/good	Driveway # of Cars 0							
	Heating X FWA HWBB Radian		Driveway Surface gravel							
Drop Stair Stairs	Other Fuel LP gas	X Fireplace(s) # 1 Fence	X Garage # of Cars 2							
R Floor X Scuttle	Cooling X Central Air Conditioning	X Patio/Deck conc Porch	Carport # of Cars 0							
Finished Heated	Individual Other	Pool Other	Att. X Det. Built-in							
Appliances Refrigerator Range/Oven X Dishwasher Disposal Microwave Washer/Dryer Other (describe)										
	Finished area above grade contains: 7 Rooms 3 Bedrooms 1.0 Bath(s) 1,486 Square Feet of Gross Living Area Above Grade									
	realization following and the first terms, etc.,									
	home includes laundry area.									
		ions, remodeling, etc.). C4;Kitchen-remode								
N	ago;Bathrooms-updated-six to ten years ago;This home has been maintained well and based on a visual inspection appears to require no significant									
repairs.										
S										
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes X No If Yes, describe										
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? X Yes No If No, describe										

Property generally conforms.



Knowledge Check Two

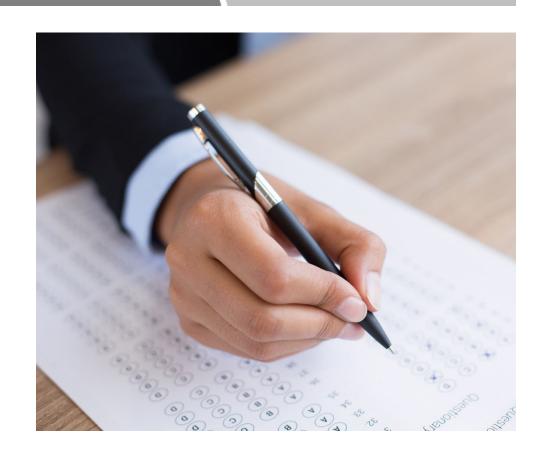


Is the following **True** or **False**?

 A C5 rating is generally acceptable with positive appraiser comments.

C5

- Obvious deferred maintenance.
- In need of some significant repairs.
- Some building components need repairs, rehabilitation or updating.





Check Your Understanding Two



The answer is *False*.

 A C4 rating (not C5) is generally acceptable with positive appraiser comments.

> Very recently constructed. Have not previously been occupied. No deferred maintenance, little C1 The entire structure and all or no physical depreciation and components are new and the dwelling features no physical depreciation. Some minor deferred Well-maintained. **C3** Limited physical depreciation due to normal wear and tear. wear and tear. Substantial damage or deferred Obvious deferred maintenance. maintenance with deficiencies or In need of some significant repairs. **C5 C6** defects that are severe enough to Some building components need affect the safety, soundness, or repairs, rehabilitation or updating. structural integrity.















Definitions



- Comparable.
- Bracketing.





Comparables



- Real estate appraisal term, aka "comps."
- Properties with characteristics similar to the subject property.
- Fair market value based on current market activity.





Appraisal Bracketing



A process in which an Appraiser determines a probable range of values for a property by applying comparative analysis techniques to data such as a group of Sales.*

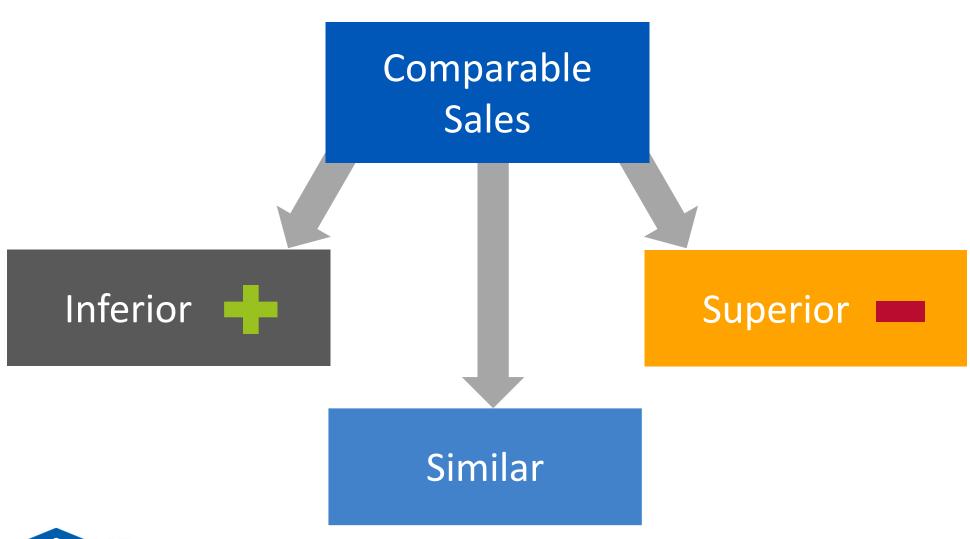


*Source: 5th Edition of the Dictionary of Real Estate Appraisal



Appraisal Bracketing





Comparables and Adjustments



Adjustments are made to comps to make them like the subject.

ADD

If the subject has a feature that the comp does not,

the value of the feature is added.

SUBTRACT

If the comp has a feature that the subject does not,

the value of the feature is subtracted.





- Comparable Guidelines:
- Minimum of three (3) closed comps.
- Date of Sales within twelve (12) months.

One-Unit Housing Trends							
Property Values		Increasing	Χ	Stable		Declining	
Demand/Supply		Shortage	Χ	In Balance		Over Supply	
Marketing Time		Under 3 mths	Χ	3-6 mths		Over 6 mths	

■ For established PUDs/subdivisions, comps from within.





Conditions of Sale

Financing Conditions

3 Market Conditions

Locational Comparability





1

Conditions of Sale

Arm's-length?
Distress sale?
Estate settlement?

2

Financing Conditions

3

Market Conditions

4

Locational Comparability

5





1

Conditions of Sale

2

Financing Conditions

Were the comps influenced by financing terms?

3

Market Conditions

4

Locational Comparability

5





1

Conditions of Sale

2

Financing Conditions

3

Market Conditions
Time adjustments?

4

Locational Comparability

5





1

Conditions of Sale

2

Financing Conditions

6

Market Conditions

4

Locational Comparability

Same locational characteristics?

5





1 Conditions of Sale

Financing Conditions

3 Market Conditions

Locational Comparability

Physical
Comparability
Size, Condition,
Quality, Age





- Proximity to subject.
- Date of sale/time.

	Uniform Residential Appraisal Report							
There are 16 con	1, 1							
There are 27 con	parable sales in the sub	oject neighborhood withi	n the past twelve r	nonths ranging in sale p	rice from \$ 140,0	000 to \$ 170	,000 .	
FEATURE	SUBJECT	COMPARABLE	SALE#1	COMPARABLE S	ALE#2	COMPARABLE S	ALE#3	
Address 3123 Pine Lo	dge Road	3426 Cypress St		3611 Highway 12		2004 Garfield Ave		
Eau Claire, W	/I 54701-8178	Eau Claire, WI 547	01	Eau Claire, WI 547	01	Altoona, WI 54720		
Proximity to Subject		0.30 miles SW	0.30 miles SW		0.60 miles NW			
Sale Price	\$ 154,000	\$	\$ 159,900		\$ 163,000		152,000	
Sale Price/Gross Liv. Area	\$ 103.63 sq. ft.	\$ 114.54 s	\$ 114.54 sq. ft.		q. ft.	\$ 98.25	q. ft.	
Data Source(s)		mls #871665;DOM	209	MLS;#859237;DOM 281		mls #863208;DOM 141		
Verification Source(s)		transfer return data	1	transfer return data		transfer return data		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sale or Financing		ArmLth		ArmLth		ArmLth		
Concessions		VA;0		VA;5000		Conv;0		
Date of Sale/Time		s06/20;c04/20		s08/19;c06/19		s08/19;c07/19		
Location	N;Res;	N;Res;		N;Res;		N;Res;		



Uniform Appraisal Dataset (UAD) Quality Ratings



New. Custom-designed. **Q1** Q2 Designed by architect. Upgraded plans. Higher-quality. Average quality. Built from individual Q3 **Q4** Meets or exceeds or readily available building codes. designer plans. Main considerations Basic quality and lower are economy of cost. Q6 **Q5** May not be suitable for construction year-round occupancy. & basic functionality.





		Uniform Res	idential Ap	praisal Report			
There are 16 con	nparable properties curre					to \$ 170,000	
There are 27 con	parable sales in the sub	ject neighborhood withi	n the past twelve r	nonths ranging in sale p	rice from \$ 140,0	000 to \$ 170	,000 .
FEATURE	SUBJECT	COMPARABLE	SALE # 1	COMPARABLE S	ALE#2	COMPARABLE SA	ALE#3
Address 3123 Pine Lo	dge Road	3426 Cypress St		3611 Highway 12		2004 Garfield Ave	
Eau Claire, W	1 54701-8178	Eau Claire, WI 547	01	Eau Claire, WI 547	01	Altoona, WI 54720	
Proximity to Subject		0.30 miles SW		0.60 miles NW		1.26 miles N	
Sale Price	\$ 154,000		159,900	\$	163,000	\$	152,000
Sale Price/Gross Liv. Area	\$ 103.63 sq. ft.	\$ 114.54 s	q. ft.	\$ 120.38 s	q. ft.	\$ 98.25 s	q. ft.
Data Source(s)		mls #871665;DOM	209	MLS;#859237;DOM	M 281	mls #863208;DOM	141
Verification Source(s)		transfer return data		transfer return data	1	transfer return data	3
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		VA;0		VA;5000		Conv;0	
Date of Sale/Time		s06/20;c04/20		s08/19;c06/19		s08/19;c07/19	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
A Leasehold/Fee Simple	fee simple	fee simple		fee simple		fee simple	
R Site	1.00 ac	39204 sf	0	2.06 ac	-5,000	13068 sf	+5,000
View	N;Res;	N;Res;		N;Res;		N;Res;	
S Design (Style)	DT1.5;cape cod	DT1.00;ranch	0	DT1.00;ranch	0	DT1.5;cape cod	
 Quality of Construction 	Q4	Q4		Q4		Q4	
Actual Age	68	57	0	50	0	64	0
Condition	C4	C4		C4		C4	
Above Grade	Total Bdrms Baths	Total Bdrms, Baths		Total Bdrms, Baths		Total Bdrms. Baths	
Room Count	7 3 1.0	7 3 1.0		6 3 1.0	0	8 4 1.0	0
Gross Living Area	1,486 sq. ft.	1,396 sq. ft.	0	1,354 sq. ft.	+3,960	1,547 sq. ft.	0
Basement & Finished	810sf690sfin	1396sf504sfin	0	1354sf1000sfwo	-4,000	800sf400sfin	l o
Rooms Below Grade	1rr0br0.1ba0o	0rr0br0.1ba1o	0	1rr2br1.0ba1o	0	1rr0br1.0ba0o	0
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA/Central	FWA/Central		FWA/Central		FWA/Central	
Energy Efficient Items	None	None		None		None	
Garage/Carport	2gd	2ga	0	2ga	0	2ga	0
Porch/Patio/Deck	Patio	2 porches	-1,000	deck, patio	-1,000	enclsd patio	-1,000





		Uniform Res	idential Ap	praisal Report					
There are 16 con	nparable properties curr	ently offered for sale in the				to \$ 170,0			
FEATURE	SUBJECT	COMPARABLE S	SALE #1	COMPARABLE	SALE#2	COMPARABLE	SALE#3		
Address 3123 Pine Lo	dge Road	3426 Cypress St		3611 Highway 12		2004 Garfield Av	e		
	I 54701-8178	Eau Claire, WI 547	01	Eau Claire, WI 54	701	Altoona, WI 5472	20		
Proximity to Subject		0.30 miles SW		0.60 miles NW		1.26 miles N			
Sale Price	\$ 154,000	\$	159,900		163,000		152,000		
Sale Price/Gross Liv. Area	\$ 103.63 sq. ft.	\$ 114.54 so	q. ft.	\$ 120.38	sq. ft.	\$ 98.25	sq. ft.		
Data Source(s)		mls #871665;DOM	209	MLS;#859237;DO	M 281	mls #863208;DO	M 141		
Verification Source(s)		transfer return data		transfer return dat	a	transfer retum da	nta		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment		
Sale or Financing		ArmLth		ArmLth		ArmLth			
Concessions		VA;0		VA;5000		Conv;0			
Date of Sale/Time		s06/20;c04/20		s08/19;c06/19		s08/19;c07/19			
Location	N;Res;	N;Res;		N;Res;		N;Res;			
Leasehold/Fee Simple	fee simple	fee simple		fee simple		fee simple			
Site	1.00 ac	39204 sf	C	2.06 ac	-5,000	13068 sf	+5,000		
View	N;Res;	N;Res;		N;Res;		N;Res;			
S Design (Style)	DT1.5;cape cod	DT1.00;ranch	C	DT1.00;ranch	0	DT1.5;cape cod			
 Quality of Construction 	Q4	Q4		Q4		Q4			
Actual Age	68	57	C	50	0	64	0		
Condition	C4	C4		C4		C4			
A Above Grade	Total Bdrms Baths	Total Bdrms, Baths		Total Bdrms, Baths		Total Bdrms. Bath	s		
Room Count	7 3 1.0	7 3 1.0		6 3 1.0	0	8 4 1.0	0		
 Gross Living Area 	1,486 sq. ff	1,396 sq. ft.	C	1,354 sq. ft	+3,960		ft. O		
Basement & Finished	810sf690sfin	1396sf504sfin	C	1354sf1000sfwo	-4,000	800sf400sfin	0		
Rooms Below Grade	1rr0br0.1ba0o			1rr2br1.0ba1o	0	1rr0br1.0ba0o	0		
Functional Utility	Average	Average		Average		Average			
Heating/Cooling	FWA/Central	FWA/Central F		FWA/Central		FWA/Central			
Energy Efficient Items	None	None		None		None			
Garage/Carport	2gd	2ga		2ga	0	2ga	0		
Porch/Patio/Deck	Patio	2 porches	-1,000	deck, patio	-1,000	enclsd patio	-1,000		

No significant differences between subject and comps.

Across-the-Board Adjustments



An across-the-board adjustment is when an adjustment is made to all of the comparables in the same direction for either the presence of a feature that the subject does not have that each of the comparables have, or the absence of a feature that the subject has that each of the comparables do not have.

It is NOT, for example, an adjustment for square footage made to all of the comparables, some of which are smaller than the subject and some of which are larger. This practice is called Bracketing.





Review for across-the-board adjustments.

		Uniform Dec	idential Am	nucical Danaut				
Uniform Residential Appraisal Report								
	mparable properties curre					to \$ 170,000		
FEATURE	SUBJECT	COMPARABLE	SALE#1	COMPARABLE S	ALE#2	COMPARABLE SA	ALE#3	
Address 3123 Pine Lo	dge Road	3426 Cypress St		3611 Highway 12		2004 Garfield Ave		
Eau Claire, W	VI 54701-8178	Eau Claire, WI 547	01	Eau Claire, WI 547	01	Altoona, WI 54720		
Proximity to Subject		0.30 miles SW		0.60 miles NW		1.26 miles N		
Sale Price	\$ 154,000	\$	159,900	\$	163,000	\$	152,000	
Sale Price/Gross Liv. Area	\$ 103.63 sq. ft.	\$ 114.54 s	q. ft.	\$ 120.38 s	q. ft.	\$ 98.25 s	q. ft.	
Data Source(s)		mls #871665;DOM	209	MLS;#859237;DON	M 281	mls #863208;DOM	141	
Verification Source(s)		transfer return data	1	transfer return data		transfer return data	1	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sale or Financing		ArmLth		ArmLth		ArmLth		
Concessions		VA;0		VA;5000		Conv;0		
		s06/20;c04/20		s08/19;c06/19		s08/19;c07/19		
Location	N;Res;	N;Res;		N;Res;		N;Res;		
Leasehold/Fee Simple	fee simple	fee simple		fee simple		fee simple		
Rite	1.00 ac	39204 sf	0	2.06 ac	-5,000	13068 sf	+5,000	
View	N;Res;	N;Res;		N;Res;		N;Res;		
Design (Style)	DT1.5;cape cod	DT1.00;ranch	0	DT1.00;ranch	0	DT1.5;cape cod		
 Quality of Construction 	Q4	Q4		Q4		Q4		
Actual Age	68	57	0	50	0	64	0	
Condition	C4	C4		C4		C4		
Above Grade	Total Bdrms Baths	Total Bdrms, Baths		Total Bdrms, Baths		Total Bdrms. Baths		
Room Count	7 3 1.0	7 3 1.0		6 3 1.0	0	8 4 1.0	0	
Gross Living Area	1,486 sq. ft.	1,396 sq. ft.	0	1,354 sq. ft.	+3,960	1,547 sq. ft.	0	
Basement & Finished	810sf690sfin	1396sf504sfin	0	1354sf1000sfwo	-4,000	800sf400sfin	o	
Rooms Below Grade	1rr0br0.1ba0o	0rr0br0.1ba1o	0	1rr2br1.0ba1o	0	1rr0br1.0ba0o	0	
Functional Utility	Average	Average		Average		Average		
Heating/Cooling	FWA/Central	FWA/Central		FWA/Central		FWA/Central		
Energy Efficient Items	None	None		None		None		
Garage/Carport	2gd	2ga	0	2ga	0	2ga	0	
Porch/Patio/Deck	Patio	2 porches	-1,000	deck, patio	-1,000	enclsd patio	-1,000	





Review the total net and gross adjustments.

COMPARABLE SALE # 1	CC	OMPAR	RABLE S	ALE#2	С	OMPAR	RABLE SA	ALE#3	
3426 Cypress St	3611 H	3611 Highway 12			2004	2004 Garfield Ave			
Eau Claire, WI 54701					Altoo	Altoona, WI 54720			
0.30 miles SW	0.60 m				1.26	miles	N		
\$ 159,900			\$	163,000			\$	152,000	
\$ 114.54 sq. ft.	\$ 120.	.38	50	ą. ft.	\$ 98	.25	5	q. ft.	
mls #871665;DOM 209	MLS;#	85923	37;DON	A 281	mls #	#86320	08;DOM	141	
transfer return data	transfe	er retu	rn data	l.	trans	fer ret	urn data	ì	
DESCRIPTION +(-) \$ Adjustr	ent DES	CRIPT	ION	+(-) \$ Adjustmen		SCRIP		+(-) \$ Adjustment	
s06/20;c04/20 VA;U	s08/1	9;c06/	/19 —		s08/	19;c07	7/19 —		
s06/14;c04/14	s08/13	3;c06/	13		s08/1	13;c07	/13		
N;Res;	N;Res	: -			N;Re	s;			
fee simple	fee sin	nple			fee s	imple			
39204 sf	0 2.06 a	С		-5,00	1306	13068 sf		+5,000	
N;Res;	N;Res	N;Res;			N;Re	N;Res;			
DT1.00;ranch	0 DT1.0	DT1.00;ranch			DT1.	DT1.5;cape cod			
Q4	Q4				Q4				
57	0 50				64			0	
C4	C4				C4	C4			
Total Bdrms, Baths	Total E	3drms.	Baths		Total	Bdrms	Baths		
7 3 1.0	6 3	3	1.0		8 0	4	1.0	0	
1,396 sq. ft.	0 1,354		sq. ft.	+3,96	1,54	7	sq. ft.	0	
1396sf504sfin	0 1354st	f1000	sfwo	-4,00	800s	f400sf	in	0	
0rr0br0.1ba1o	0 1m2br	1.0ba	10		1rr0b	r1.0ba	00s	0	
Average	Averag	ge			Aver	age			
FWA/Central	FWA/0	Centra	al		FWA	FWA/Central			
None	None			ug.	None	•			
2ga	0 2ga				2ga			0	
		deck, patio		-1,00	encls	enclsd patio		-1,000	
none +2,	00 2 Firep	olaces		-2,00	none			+2,000	
T+X- \$4,000	 	X		A 0.040	X			± e 000	
				\$-8,040	-	-		\$ 6,000	
Net Adj: -3% Gross Adj : 5% \$ 155,900	Net Ad Gross	•		\$ 154,960		kdj: 4% s Adj: (\$ 158,000	

Net and Gross Adjustments



Net Adjustments =

Total of all adjustments, INCLUDING the positive and negative math factors.

Example:



Gross Adjustments =

Total of all adjustments, <u>NOT</u> INCLUDING the positive and negative math factors.

Example:







- Prior sale or transfer of subject.
 - Increase.
- Prior sale or transfer of comparables.
 - Increase.

My research did X did no	My research did X 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) county record	S								
My research did X did no	ot reveal any prior sales or transfers	of the comparable sales for the year	r prior to the date of sale of the com	parable sale.					
Data source(s) MLS, files									
Report the results of the research	and analysis of the prior sale or tra	nsfer history of the subject property	and comparable sales (report additi	onal 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)	cty records/MLS	cty records/MLS	cty records/MLS	cty records/MLS					
Effective Date of Data Source(s)	06/20/20 20	06/20/20 20	06/20/20 20	06/20/20 20					
Analysis of prior sale or transfer history of the subject property and comparable sales None of the comparables have been listed or sold through the MLS system									
in the previous 12 months of	in the previous 12 months other than as noted above.								



Knowledge Check Three



Is the following **True** or **False**?

• If a comparable has a feature that the subject does not have, the appraiser will make a negative adjustment to that comp.





Check Your Understanding Three



The answer is *True*.

 If a comparable has a feature that the subject does not have, the appraiser will make a negative adjustment to that comp.





Reconciliation Section







Reconciliation Section



- Subject appraised "as is."
- Appraised value supported by comparables.
- Effective date of appraisal is less than 120 days.

	Summary of Sales Comparison Approach The comparables bracket the subject living area.
	Most weight is placed on comparables 1 and 2 with comparable 3 considered to reconcile the final estimate of value within the range established by
	the adjusted values of comparables 1 and 2.
	All individual, net, and gross adjustments are within guidelines.
	A 120 day marketing time is considered in the final reconciliation of value.
	Weighted Average of the adjusted values of the comparables is \$156,308.
	Indicated Value by Sales Comparison Approach \$ 155,000
	Indicated Value by: Sales Comparison Approach \$ 155,000 Cost Approach (if developed) \$ 20,000 Income Approach (if developed) \$ n/a
	Most weight is place on the market analysis approach. Cost approach is inaccurate for homes of this vintage and is not developed. This property
몽	generates no income, and so the income approach is not valid and is not used. The sales comparison analysis is deemed adequate to identify a
ľĔ	market value as defined. Cost figure above is lot value.
CILIA	This appraisal is made X "as is," subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been
ᇙ	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
Š	following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:
R	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
	\$ 155,000 as of 06/13/20 , which is the date of inspection and the effective date of this appraisal.

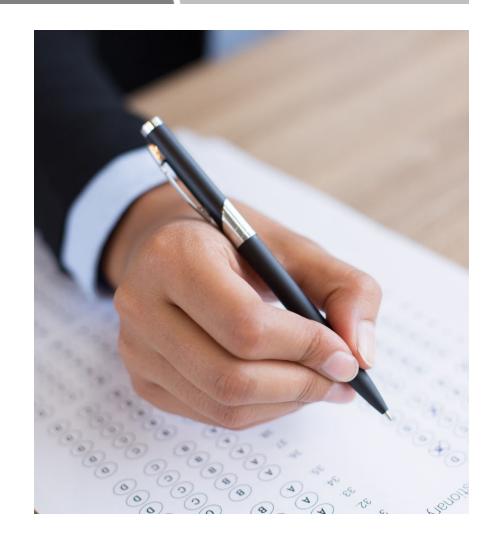


Knowledge Check Four



Is the following True or False?

The final Market Value is a simple mathematical averaging technique using the adjusted values of each of the comparables.





Check Your Understanding Four



The answer is *False*.

■ The final Market Value is NEVER a simple mathematical averaging technique using the adjusted values of each of the comparables.

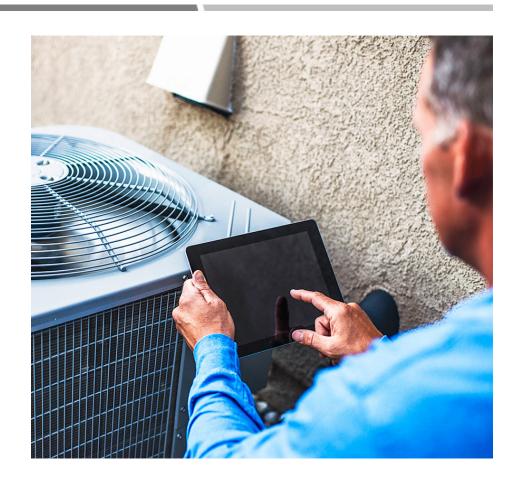
Summary of Sales Comparison Approach The comparables bracket the subject living area.
Most weight is placed on comparables 1 and 2 with comparable 3 considered to reconcile the final estimate of value within the range established by
the adjusted values of comparables 1 and 2.
All individual, net, and gross adjustments are within guidelines.
A 120 day marketing time is considered in the final reconciliation of value.
Weighted Average of the adjusted values of the comparables is \$156,308.
N Control of the Cont
Indicated Value by Sales Comparison Approach \$ 155,000
Indicated Value by: Sales Comparison Approach \$ 155,000 Cost Approach (if developed) \$ 20,000 Income Approach (if developed) \$ n/a
Most weight is place on the market analysis approach. Cost approach is inaccurate for homes of this vintage and is not developed. This property
generates no income, and so the income approach is not valid and is not used. The sales comparison analysis is deemed adequate to identify a
market value as defined. Cost figure above is lot value.
This appraisal is made X "as is," subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been
completed, usubject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or usubject to the
following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:
N 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
\$ 155,000 , as of 06/13/20 20 , which is the date of inspection and the effective date of this appraisal.



Addenda



- Exhibits that are part of the appraisal:
 - Clear photos of subject's front, rear and street view.
 - Clear photos of subject's interior:
 - Support improvements section.
 - Clear photos of comparables:
 - Support Sales Comparison grid.
 - Building sketch or floor plan:
 - Matches room count and living area in Improvements Section.
 - Location map identifies subject and comparables:
 - Comparables within neighborhood boundaries.





Review Objectives



We have now concluded the session intended to help you to:

- Learn Roles and Responsibilities:
 - Lender.
 - Underwriter.
 - Appraiser.
- Learn Key Areas to Review on Appraisal Report.







