

For Arch MI and Arch MI for Credit Unions

Analyzing Appraisals for Single-Family Residences

Identifying 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.



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

- Fannie Mae's definition:
 - Most probable price 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.



Source: <https://selling-guide.fanniemae.com/sel/b4-1.1-01/definition-market-value>

Market Value *(Continued)*

- 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: <https://selling-guide.fanniemae.com/sel/b4-1.1-01/definition-market-value>

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.

The image displays several overlapping copies of the Uniform Residential Appraisal Report (URAR) form. The forms are arranged in a grid-like fashion, showing different sections and fields. The top-most form is clearly visible, showing the title 'Uniform Residential Appraisal Report' and various input fields for property information, market conditions, and general description. The forms are slightly offset to show multiple instances of the same document.



Subject Section



Subject Section

Uniform Residential Appraisal Report			File #
The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.			
Property Address	123 Main Street	City	Anytown State WI Zip Code 12345
Borrower	Joe Smith	Owner of Public Record	Ben & Amy Jones County Anycounty
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 N 174' TN E 250' TN S 174' W 250' TO POB			
Assessor's Parcel #	123-1212-04-000	Tax Year	2022 R.E. Taxes \$ 2,124
Neighborhood Name	N/A	Map Reference	Census Tract
Occupant	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments	\$ 0 <input type="checkbox"/> PUD HOA \$ 0 <input type="checkbox"/> per year <input type="checkbox"/> per month
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	ABC Credit Union	Address 200 Anystreet, Anytown, WI 12345	
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). DOM 45; Subject property was offered for sale.; Latest Price \$149,950; Latest Date 06/02/2023;			
Original Price \$144,950; Original Date 04/28/2023; MIs # 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 Residential Appraisal Report			File #
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Neighborhood Name	N/A	Map Reference	Census Tract
Occupant	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$ 0	<input type="checkbox"/> PUD HOA \$ <input type="checkbox"/> per year <input type="checkbox"/> per month
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Original Price \$144,950; Original Date 04/28/2023; MIs # 875797			

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

Contract Section

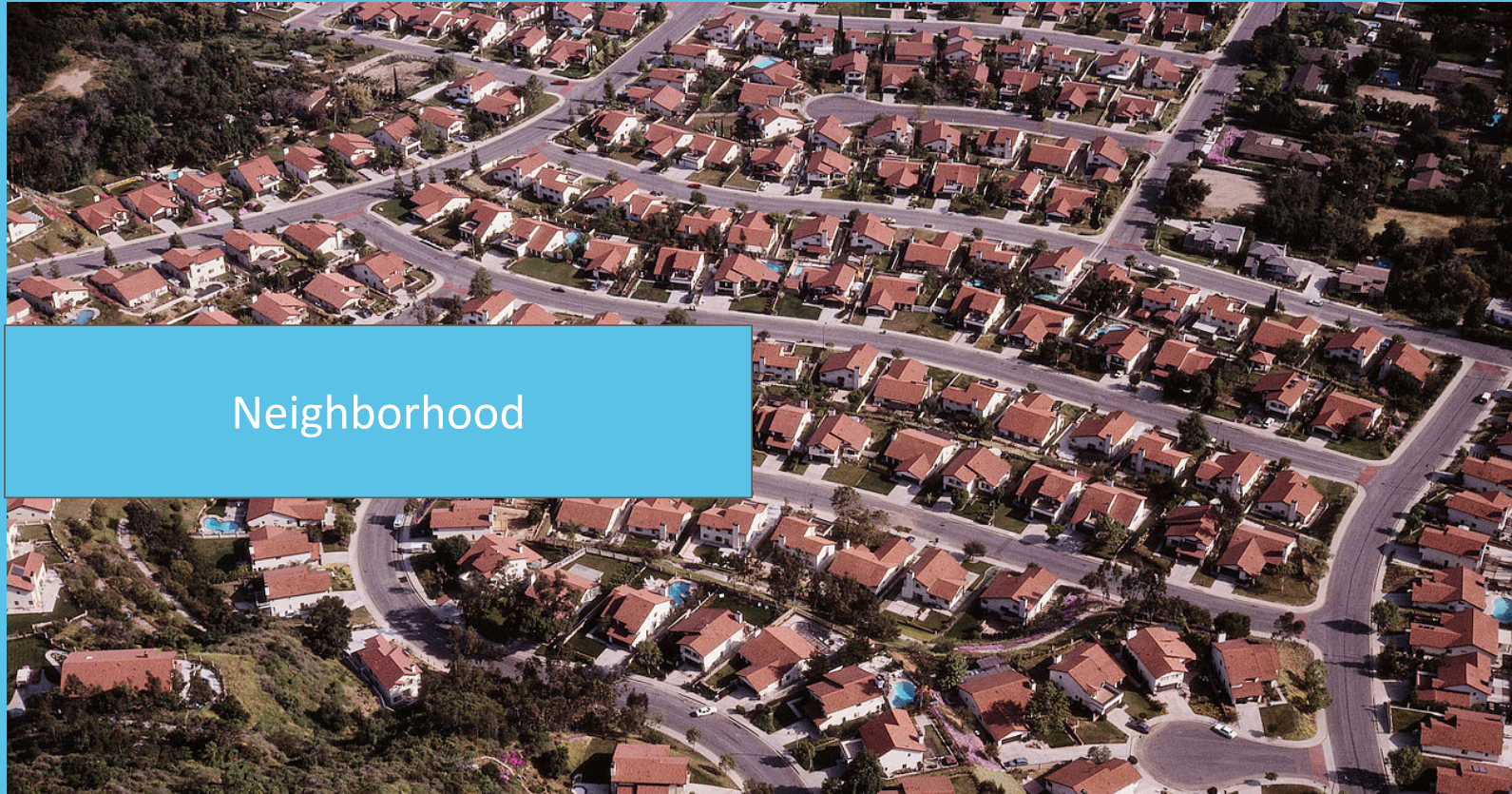


Contract Section

C O N T R A C T	<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. Arms length sale; The terms and conditions in the offer to purchase supplied to appraiser were typical for the market. No unusual items were noted.
	Contract Price \$ 154,000 Date of Contract 05/28/2023 Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) County website
	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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, report the total dollar amount and describe the items to be paid. \$0;;

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

Neighborhood Section



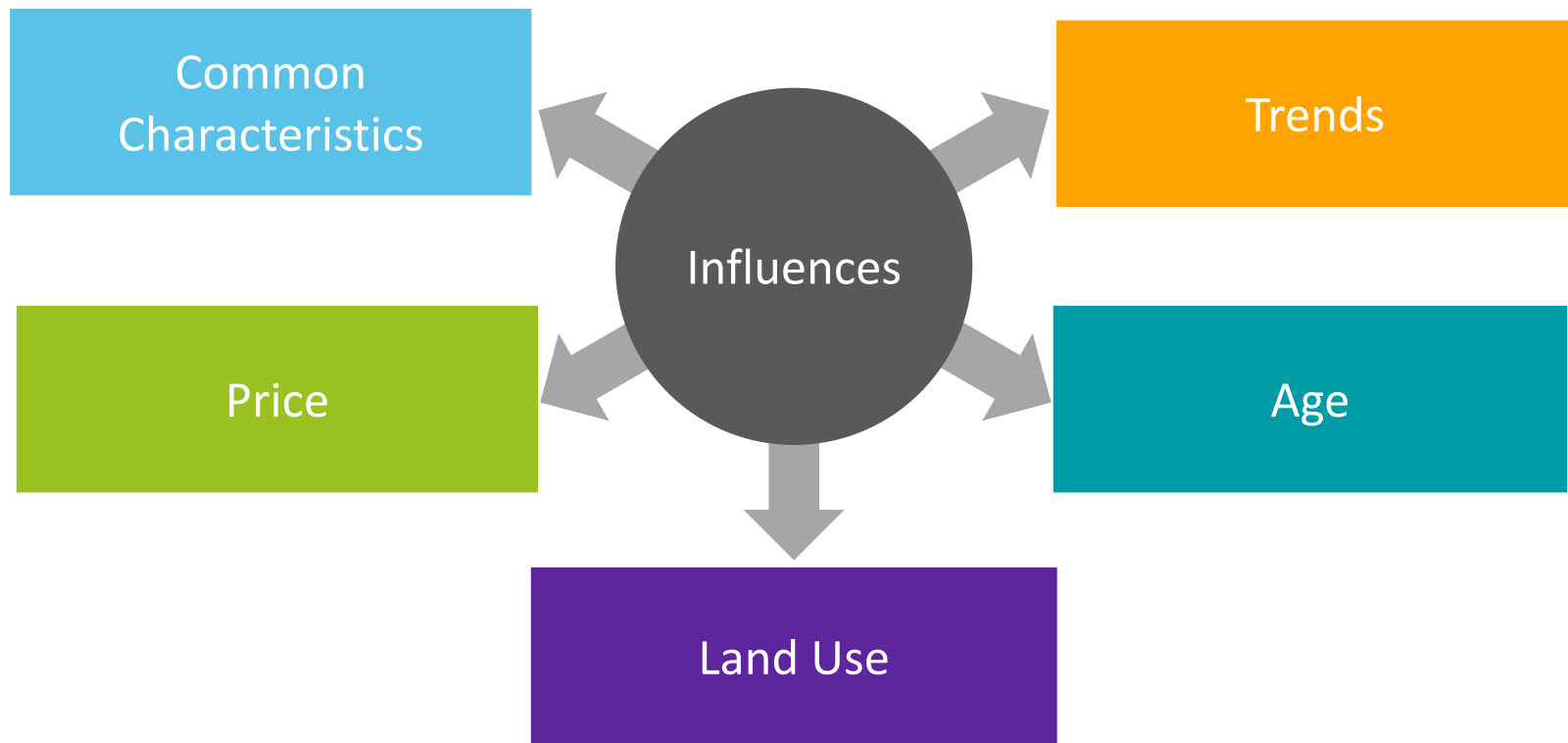
Neighborhood Section



Neighborhood

Subdivision





Neighborhood Section

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 %					
NEIGHBORHOOD	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	80 %	
	Built-Up	<input checked="" type="checkbox"/> Over 75%	<input 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	10 %	
	Growth	<input type="checkbox"/> Rapid	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths	<input checked="" type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	50	Low	1	Multi-Family	%
	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 %		
						125	Pred.	30	Other Vac		5 %		
	Neighborhood Description This area is highly influenced by the city amenities that are convenient to the area. The major regional shopping mall, the city swimming pool, the high school serving the south half of the city, and many churches are all located within a few minutes drive. The economy is stable with a diverse employment base.												
	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.												

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

Neighborhood Section

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 %					
N E I G H B O R H O O D	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	80 %	
	Built-Up	<input checked="" type="checkbox"/> Over 75%	<input 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	10 %	
	Growth	<input type="checkbox"/> Rapid	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths	<input checked="" type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	50	Low	1	Multi-Family	%
	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 %	
							125	Pred.	30	Other Vac		5 %	
	Neighborhood Description This area is highly influenced by the city amenities that are convenient to the area. The major regional shopping mall, the city swimming pool, the high school serving the south half of the city, and many churches are all located within a few minutes drive. The economy is stable with a diverse employment base.												
	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.

Neighborhood Section

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 %					
NEIGHBORHOOD	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	80 %	
	Built-Up	<input checked="" type="checkbox"/> Over 75%	<input 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	10 %	
	Growth	<input type="checkbox"/> Rapid	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths	<input checked="" type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	50	Low	1	Multi-Family	%
	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 %	
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	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	Shape	rectangular	View	N;Res;			
Specific Zoning Classification	RL	Zoning Description	Single family residential allowed, large lot							
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										
SITE	Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements—Type	Public	Private		
	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input type="checkbox"/>	<input checked="" type="checkbox"/> private	Street	bituminous	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/> private	Alley	none	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FEMA Special Flood Hazard Area		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	FEMA Flood Zone	X	FEMA Map #	1234512362F	FEMA Map Date	04/16/2023	
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										
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 that the school is not a negative distraction for owners without school age children.										

- 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	174x250	Area	1.00 ac	Shape	rectangular	View	N;Res;			
Specific Zoning Classification	RL	Zoning Description	Single family residential allowed, large lot							
Zoning Compliance	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Legal Nonconforming (Grandfathered Use)	<input checked="" type="checkbox"/> No Zoning	<input type="checkbox"/> Illegal (describe)						
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S I T E	Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements—Type	Public	Private		
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	Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/> private	Alley	none	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FEMA Special Flood Hazard Area		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	FEMA Flood Zone	X	FEMA Map #	1234512362F	FEMA Map Date	04/16/2023	
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										
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 that the school is not a negative distraction for owners without school age children.										

Improvements Section

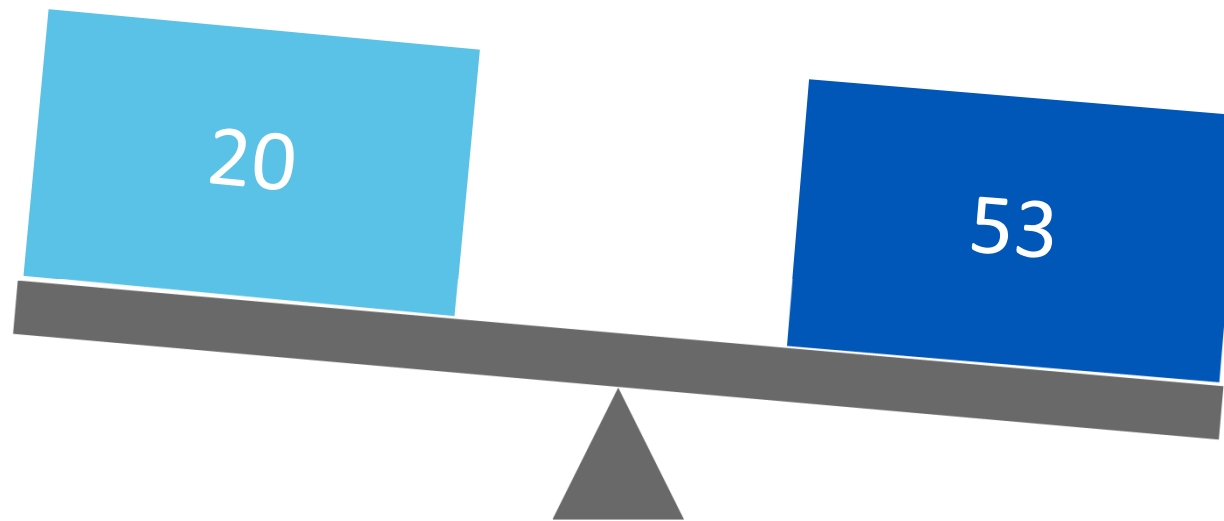


Improvements Section

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	concrete block/average	Floors	wood/cpt/average
# of Stories	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	vinyl lap/average	Walls	textured/average
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area	Roof Surface	shingles/average	Trim/Finish	wood/average
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish	Gutters & Downspouts	none	Bath Floor	inlaid/average
Design (Style)	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	d.h./casement/good	Bath Wainscot	mod.unit/ave
Year Built 1970	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	yes/good	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 20	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	yes/good	<input type="checkbox"/> Driveway	# of Cars
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) #	Driveway Surface	
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel	<input checked="" type="checkbox"/> Fireplace(s) # 1	<input type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage	# of Cars 2
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck conc	<input type="checkbox"/> Porch	<input type="checkbox"/> Carport	# of Cars
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool	<input type="checkbox"/> Other	<input type="checkbox"/> Att.	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> 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					
Additional features (special energy efficient items, etc.) House is set back off road for better than average privacy. Nice remodeled mudroom off Back of home includes laundry area.					
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4;Kitchen-remodeled-six to ten years 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.					
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					

- General description:
 - Effective age and actual age.

$$2023 - 1970 = 53$$



Improvements Section

General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls <u>concrete block/average</u>	Floors <u>wood/cpt/average</u>
# of Stories	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls <u>vinyl lap/average</u>	Walls <u>textured/average</u>
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area <u>810 sq. ft.</u>	Roof Surface <u>shingles/average</u>	Trim/Finish <u>wood/average</u>
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish <u>85 %</u>	Gutters & Downspouts <u>none</u>	Bath Floor <u>inlaid/average</u>
Design (Style)	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type <u>d.h./casement/good</u>	Bath Wainscot <u>mod.unit/ave</u>
Year Built <u>1970</u>	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated <u>yes/good</u>	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) <u>20</u>	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens <u>yes/good</u>	<input type="checkbox"/> Driveway # of Cars
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) #	Driveway Surface
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel	<input checked="" type="checkbox"/> Fireplace(s) # <u>1</u> <input type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars <u>2</u>
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck <u>conc</u> <input type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool <input type="checkbox"/> Other	<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)			
Finished area above grade contains: <u>7 Rooms</u> <u>3 Bedrooms</u> <u>1.0 Bath(s)</u> <u>1,486 Square Feet of Gross Living Area Above Grade</u>			
Additional features (special energy efficient items, etc.) <u>House is set back off road for better than average privacy. Nice remodeled mudroom off Back of home includes laundry area.</u>			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). <u>C4;Kitchen-remodeled-six to ten years 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.</u>			
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			

- Comments:
 - Remodeling and improvements.

Improvements Section



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Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls concrete block/average	Floors wood/cpt/average
# of Stories	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls vinyl lap/average	Walls textured/average
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 810 sq. ft.	Roof Surface shingles/average	Trim/Finish wood/average
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 85 %	Gutters & Downspouts none	Bath Floor inlaid/average
Design (Style)	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type d.h./casement/good	Bath Wainscot mod.unit/ave
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Effective Age (Yrs) 20	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens yes/good	<input type="checkbox"/> Driveway # of Cars
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Additional features (special energy efficient items, etc.) House is set back off road for better than average privacy. Nice remodeled mudroom off Back of home includes laundry area.			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4;Kitchen-remodeled-six to ten years 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.			
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			

- Foundation:
 - No evidence of infestation, dampness or settlement.

Uniform Appraisal Dataset (UAD) Condition Ratings

C1	<ul style="list-style-type: none">▪ Very recently constructed .▪ Have not previously been occupied.▪ The entire structure and all components are new and the dwelling features no physical depreciation.	C2	<ul style="list-style-type: none">▪ No deferred maintenance, little or no physical depreciation and require no repairs.
C3	<ul style="list-style-type: none">▪ Well-maintained.▪ Limited physical depreciation due to normal wear and tear.	C4	<ul style="list-style-type: none">▪ Some minor deferred maintenance and physical deterioration due to normal wear and tear.
C5	<ul style="list-style-type: none">▪ Obvious deferred maintenance.▪ In need of some significant repairs.▪ Some building components need repairs, rehabilitation or updating.	C6	<ul style="list-style-type: none">▪ Substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity.

Source: <https://selling-guide.fanniemae.com/sel/b4-1.3-06/property-condition-and-quality-construction-improvements>

Improvements Section



General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls <u>concrete block/average</u>	Floors <u>wood/cpt/average</u>
# of Stories	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls <u>vinyl lap/average</u>	Walls <u>textured/average</u>
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area <u>810 sq. ft.</u>	Roof Surface <u>shingles/average</u>	Trim/Finish <u>wood/average</u>
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish <u>85 %</u>	Gutters & Downspouts <u>none</u>	Bath Floor <u>inlaid/average</u>
Design (Style)	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type <u>d.h./casement/good</u>	Bath Wainscot <u>mod.unit/ave</u>
Year Built <u>1970</u>	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated <u>yes/good</u>	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) <u>20</u>	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens <u>yes/good</u>	<input type="checkbox"/> Driveway # of Cars
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) #	Driveway Surface
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel	<input checked="" type="checkbox"/> Fireplace(s) # <u>1</u> <input type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars <u>2</u>
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck <u>conc</u> <input type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool <input type="checkbox"/> Other	<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)			
Finished area above grade contains: <u>7</u> Rooms <u>3</u> Bedrooms <u>1.0</u> Bath(s) <u>1,486</u> Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.) <u>House is set back off road for better than average privacy. Nice remodeled mudroom off Back of home includes laundry area.</u>			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). <u>C4;Kitchen-remodeled-six to ten years 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.</u>			
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			

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

Improvements Section



General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls <u>concrete block/average</u>	Floors <u>wood/cpt/average</u>
# of Stories	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls <u>vinyl lap/average</u>	Walls <u>textured/average</u>
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area <u>810</u> sq. ft.	Roof Surface <u>shingles/average</u>	Trim/Finish <u>wood/average</u>
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish <u>85</u> %	Gutters & Downspouts <u>none</u>	Bath Floor <u>inlaid/average</u>
Design (Style)	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type <u>d.h./casement/good</u>	Bath Wainscot <u>mod.unit/ave</u>
Year Built <u>1970</u>	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated <u>yes/good</u>	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) <u>20</u>	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens <u>yes/good</u>	<input type="checkbox"/> Driveway # of Cars
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) #	Driveway Surface
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel	<input checked="" type="checkbox"/> Fireplace(s) # <u>1</u> <input type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars <u>2</u>
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck <u>conc</u> <input type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool <input type="checkbox"/> Other	<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)			
Finished area above grade contains: <u>7</u> Rooms <u>3</u> Bedrooms <u>1.0</u> Bath(s) <u>1,486</u> Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.) <u>House is set back off road for better than average privacy. Nice remodeled mudroom off Back of home includes laundry area.</u>			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). <u>C4;Kitchen-remodeled-six to ten years 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.</u>			
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			

- No physical deficiencies.

Improvements Section



General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls concrete block/average	Floors wood/cpt/average
# of Stories	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls vinyl lap/average	Walls textured/average
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 810 sq. ft.	Roof Surface shingles/average	Trim/Finish wood/average
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 85 %	Gutters & Downspouts none	Bath Floor inlaid/average
Design (Style)	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type d.h./casement/good	Bath Wainscot mod.unit/ave
Year Built 1970	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated yes/good	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) 20	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens yes/good	<input type="checkbox"/> Driveway # of Cars
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) #	Driveway Surface
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel	<input checked="" type="checkbox"/> Fireplace(s) # 1 <input type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars 2
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck conc <input type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool <input type="checkbox"/> Other	<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> 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			
Additional features (special energy efficient items, etc.) House is set back off road for better than average privacy. Nice remodeled mudroom off Back of home includes laundry area.			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4;Kitchen-remodeled-six to ten years 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.			
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			

- 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.

C1	<ul style="list-style-type: none">▪ Very recently constructed .▪ Have not previously been occupied.▪ The entire structure and all components are <u>new</u> and the dwelling features no physical depreciation.	C2	<ul style="list-style-type: none">▪ No deferred maintenance, little or no physical depreciation and require no repairs.
C3	<ul style="list-style-type: none">▪ Well-maintained.▪ Limited physical depreciation due to normal wear and tear.	C4	<ul style="list-style-type: none">▪ Some minor deferred maintenance and physical deterioration due to normal wear and tear.
C5	<ul style="list-style-type: none">▪ Obvious deferred maintenance.▪ In need of some significant repairs.▪ Some building components need repairs, rehabilitation or updating.	C6	<ul style="list-style-type: none">▪ Substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity.

Sales Comparison Approach Section



Sales Comparison Approach Section



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.

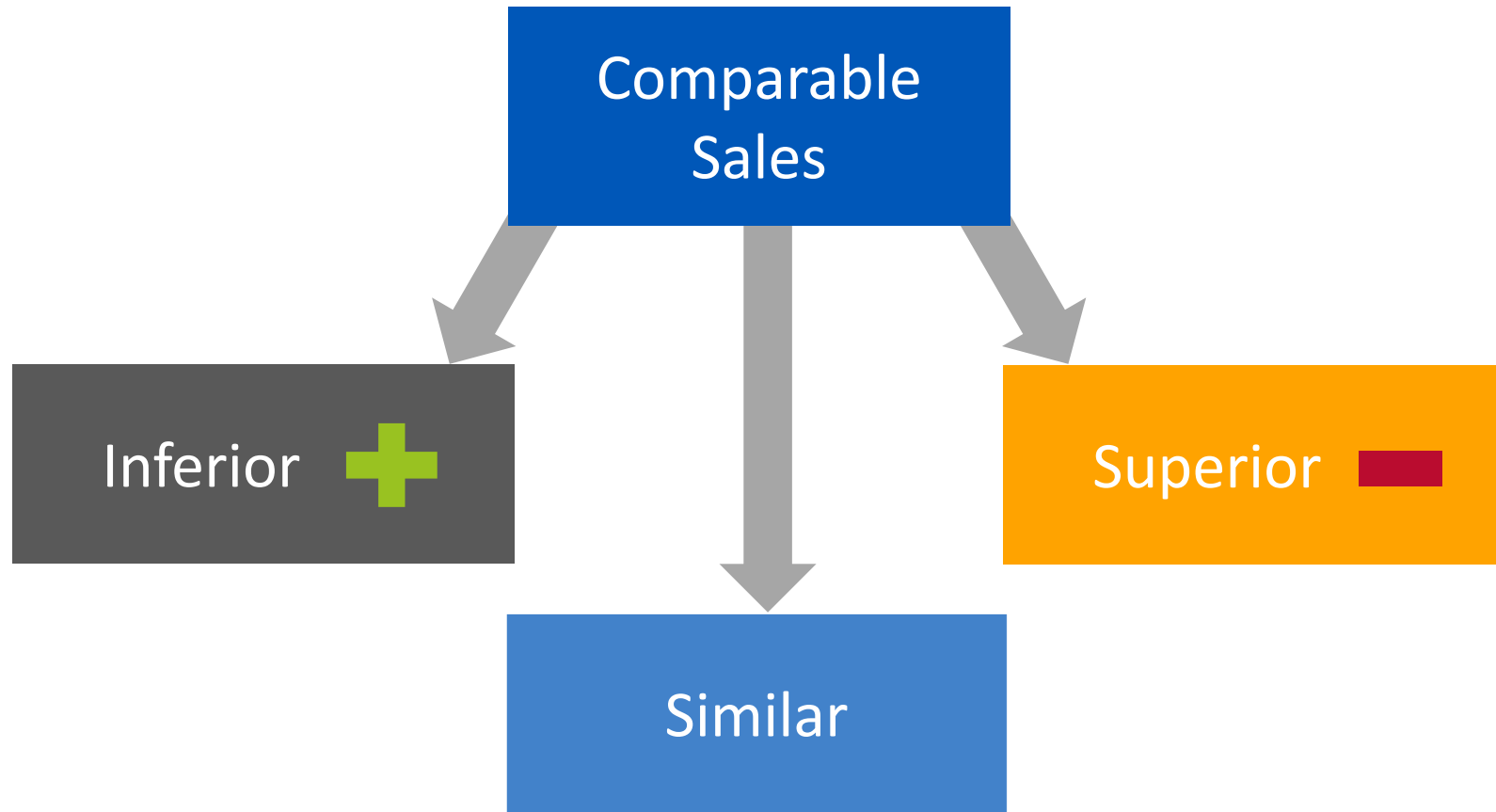


Appraisal Bracketing

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*



**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.*

Sales Comparison Approach Section

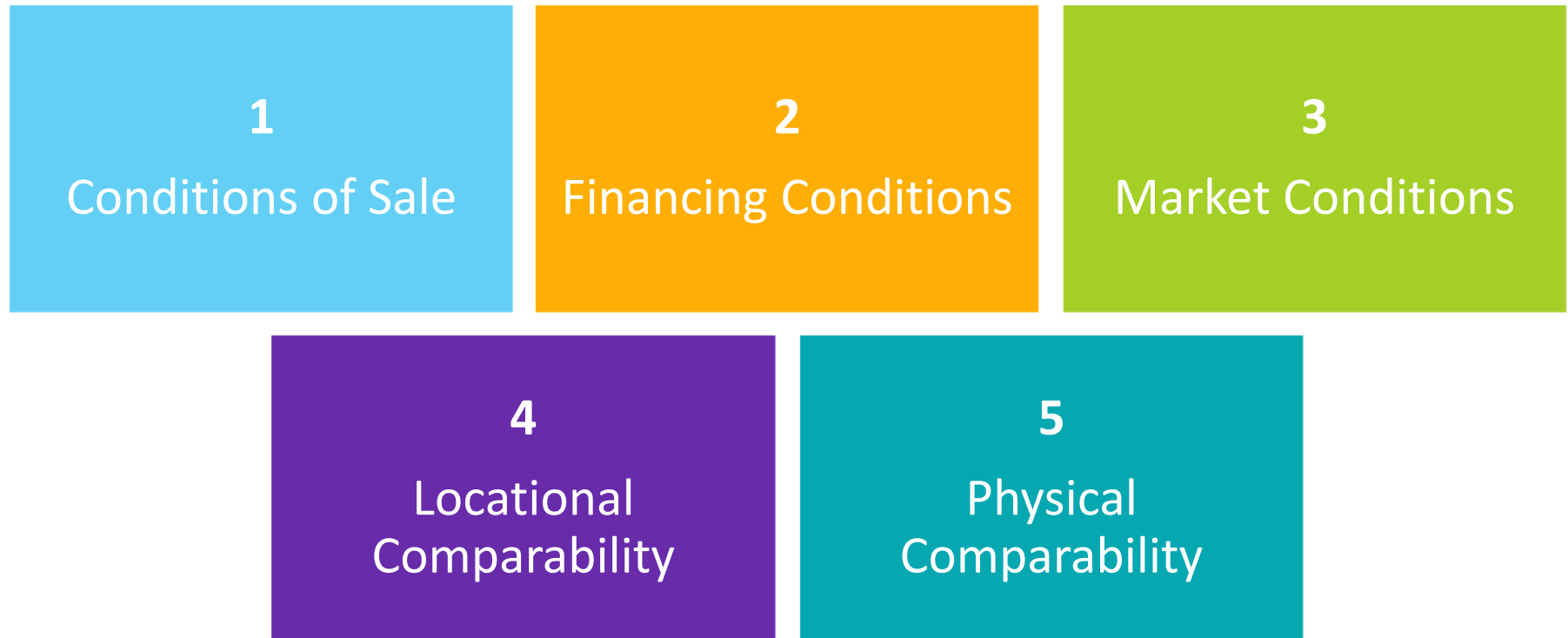
- Comparable Guidelines:
 - Minimum of three (3) closed comps required.
 - Date of Sales within twelve (12) months.

–

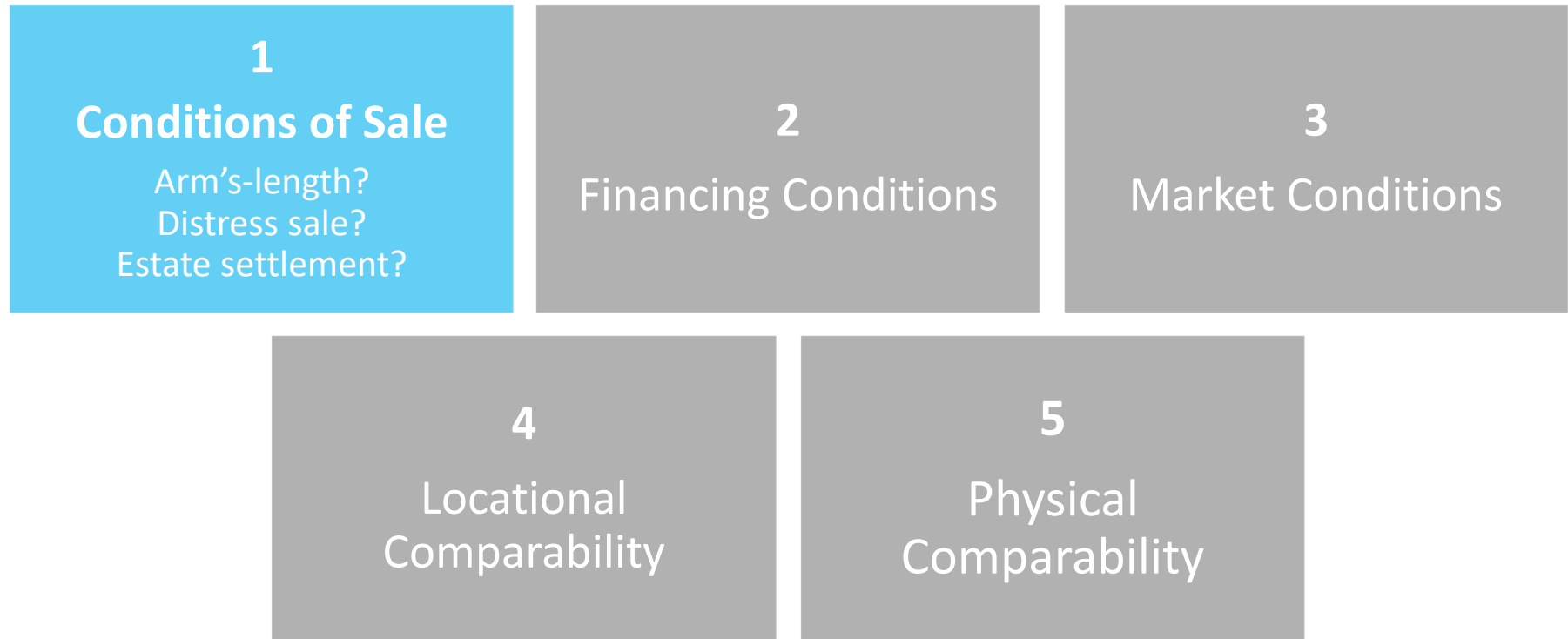
Note: Race and the racial composition of the neighborhood are not appraisal factors.												
Neighborhood Characteristics				One-Unit Housing Trends			One-Unit Housing		Present Land Use %			
NEIGHBORHOOD	Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	80 %
	Built-Up	<input checked="" type="checkbox"/> Over 75%	<input 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	10 %
	Growth	<input type="checkbox"/> Rapid	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths	<input checked="" type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	50	Low 1	Multi-Family	%
	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 %		
								125	Pred. 30	Other Vac	5 %	
Neighborhood Description This area is highly influenced by the city amenities that are convenient to the area. The major regional shopping mall, the city swimming pool, the high school serving the south half of the city, and many churches are all located within a few minutes drive. The economy is stable with a diverse employment base.												
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.												

- For established PUDs/subdivisions, comps from within the same PUD/subdivision.

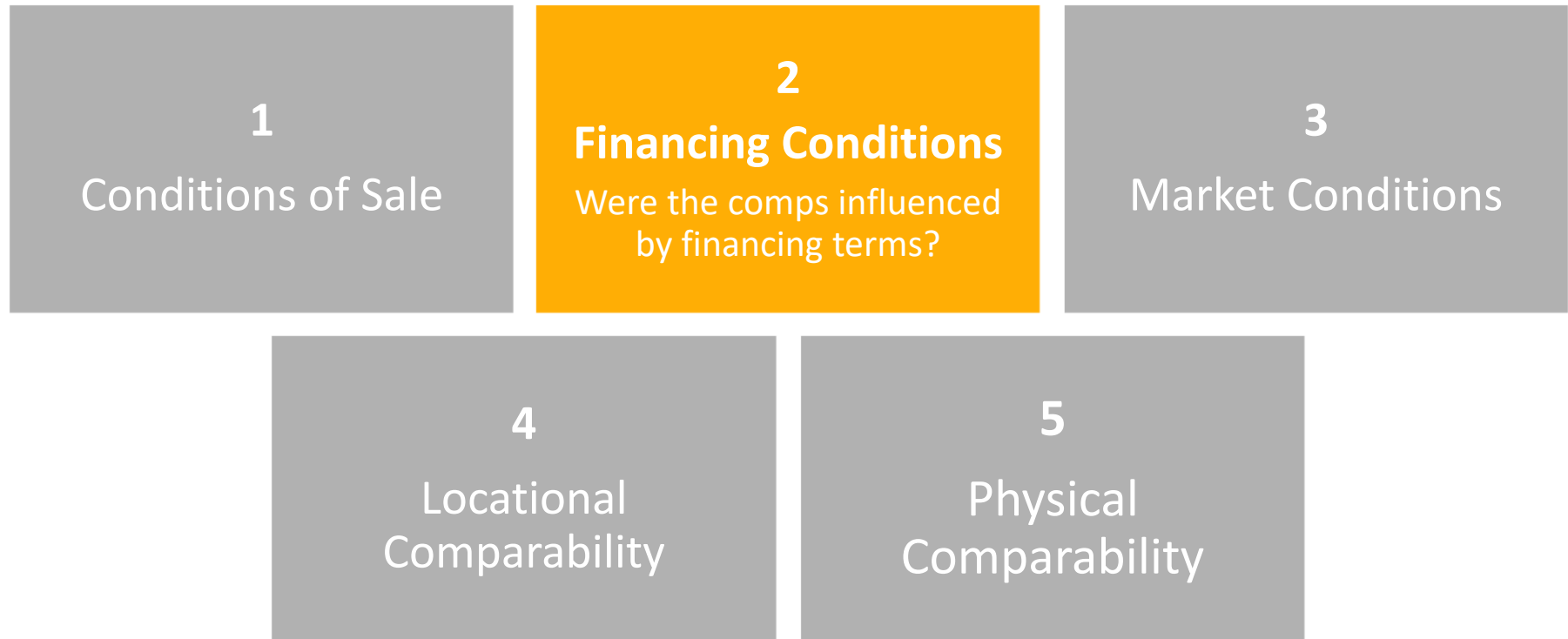
Five Factors for Determining Comparables



Five Factors for Determining Comparables



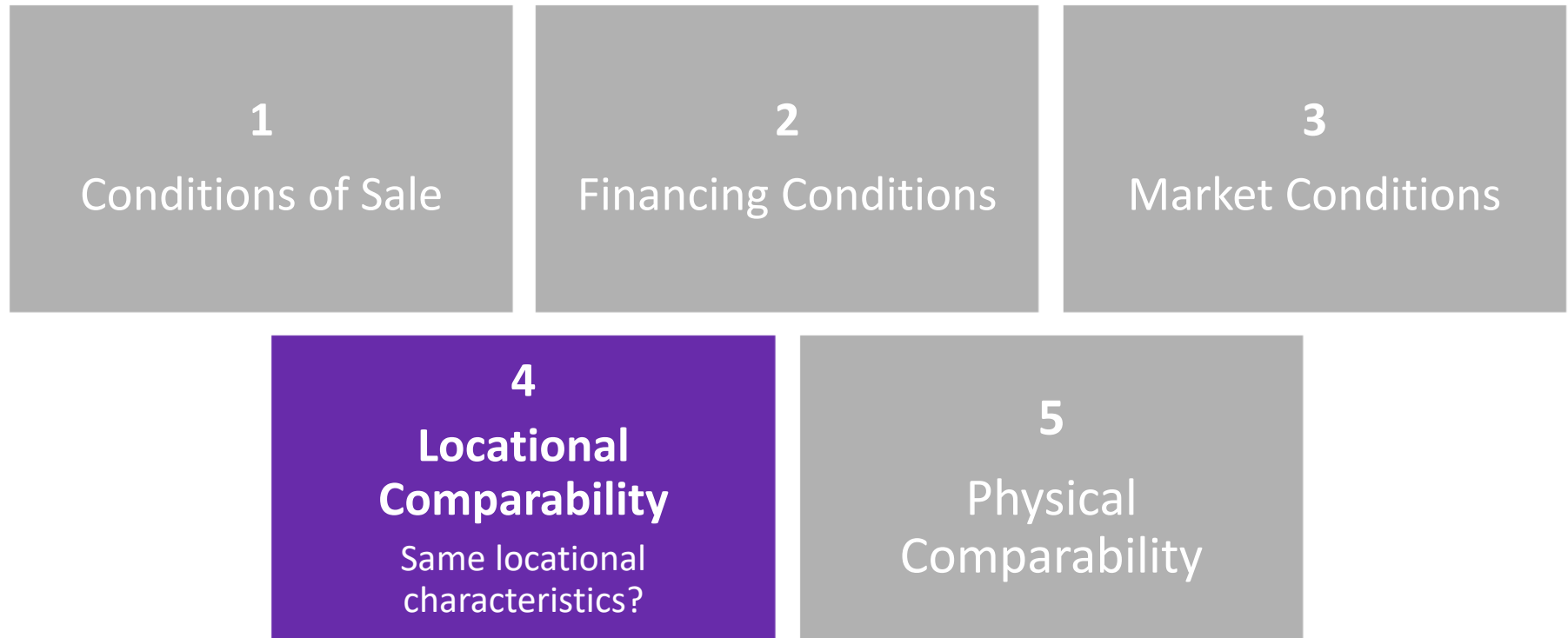
Five Factors for Determining Comparables



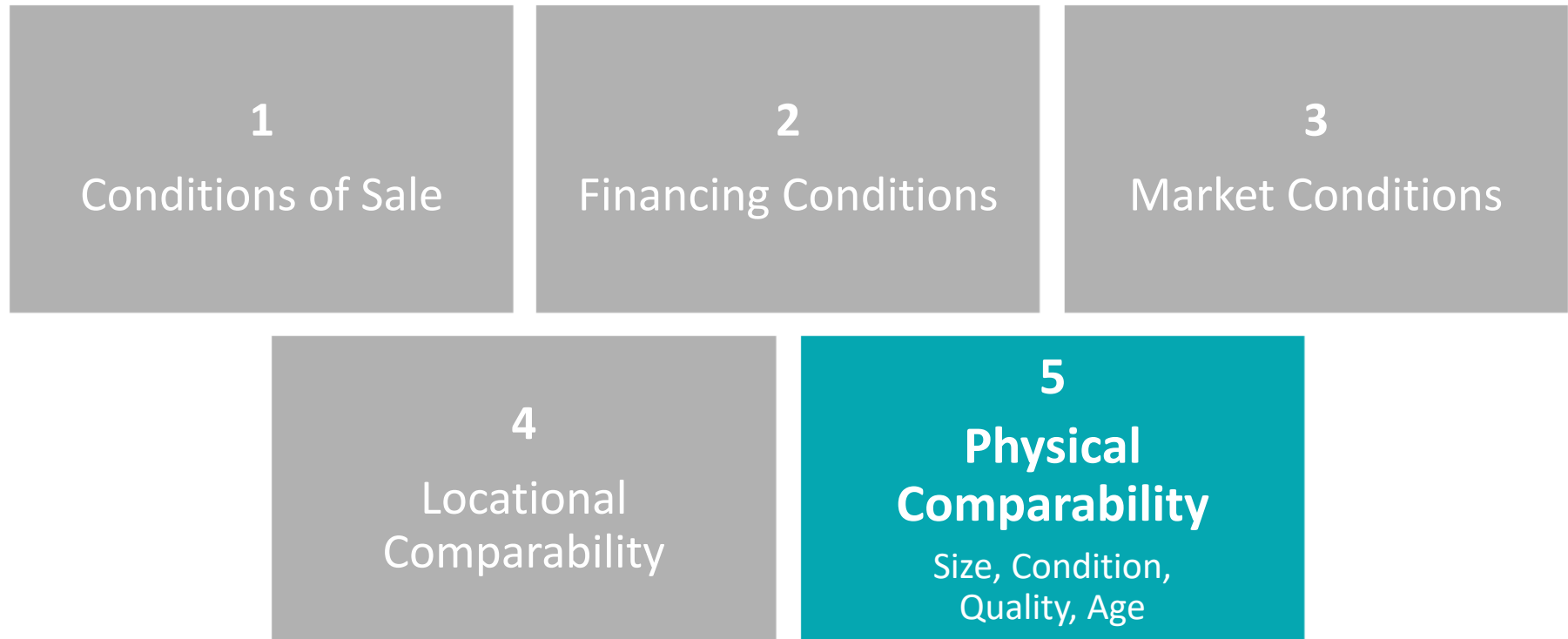
Five Factors for Determining Comparables



Five Factors for Determining Comparables



Five Factors for Determining Comparables



Sales Comparison Approach Section



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

Uniform Residential Appraisal Report								File #
There are 16 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 140,000 to \$ 170,000								
There are 27 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 140,000 to \$ 170,000								
FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3		
Address	123 Main Street Anytown, WI 12345	111 Tate Street Anytown, WI 12345		222 Chip Street Anytown, WI 12345		333 State Street Anytown, WI 12345		
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 sq. ft.		\$ 120.38 sq. ft.		\$ 98.25 sq. ft.		
Data Source(s)		MIs #123456;DOM 123		MIs #234561;DOM 234		MIs #345612;DOM 456		
Verification Source(s)		Transfer return data		Transfer return data		Transfer return data		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sale or Financing Concessions		ArmLth		ArmLth		ArmLth		
		VA:0		VA-5000		Conv:0		
Date of Sale/Time		s06/23;c04/23		s08/22;c06/22		s08/22;c07/22		
Location	N;Res;	N;Res;		N;Res;		N;Res;		
OPINION 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 06/13/2023, which is the date of inspection and the effective date of this appraisal.								
Freddie Mac Form 70 March 2005			Page 2 of 6			Fannie Mae Form 1004 March 2005		

Uniform Appraisal Dataset (UAD) Quality Ratings



Q1	<ul style="list-style-type: none">▪ New.▪ Designed by architect.	Q2	<ul style="list-style-type: none">▪ Custom-designed.▪ Upgraded plans.
Q3	<ul style="list-style-type: none">▪ Higher-quality.▪ Built from individual or readily available designer plans.	Q4	<ul style="list-style-type: none">▪ Average quality.▪ Meets or exceeds building codes.
Q5	<ul style="list-style-type: none">▪ Main considerations are economy of construction & basic functionality.	Q6	<ul style="list-style-type: none">▪ Basic quality and lower cost.▪ May not be suitable for year-round occupancy.

Source: <https://selling-guide.fanniemae.com/sel/b4-1.3-06/property-condition-and-quality-construction-improvements>

Sales Comparison Approach Section



Uniform Residential Appraisal Report													File #
There are 16 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 140,000 to \$ 170,000													
There are 27 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 140,000 to \$ 170,000													
FEATURE		SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address		123 Main Street Anytown, WI 12345			111 Tate Street Anytown, WI 12345			222 Chip Street Anytown, WI 12345			333 State Street Anytown, WI 12345		
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 sq. ft.			\$ 120.38 sq. ft.			\$ 98.25 sq. ft.		
Data Source(s)					Mls #123456;DOM 123			Mls #234561;DOM 234			Mls #345612;DOM 456		
Verification Source(s)					Transfer return data			Transfer return data			Transfer return data		
VALUE ADJUSTMENTS		DESCRIPTION			+(-) \$ Adjustment			DESCRIPTION			+(-) \$ Adjustment		
Sale or Financing Concessions					ArmLth VA;0			ArmLth VA;5000			ArmLth Conv;0		
Date of Sale/Time					s06/23;c04/23			s08/22;c06/22			s08/22;c07/22		
Location		N;Res;			N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple		Fee simple			Fee simple			Fee simple			Fee simple		
Site		1 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 0		
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			8 4 1.0		
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 Rooms Below Grade		810sf609sfin 1rr0br0.1ba0o			1396sf504sfin 0rr0br0.1ba1o 0			1354sf1000sfwo 0 1rr2br1.0ba1o 0			800sf400sfin 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			Enclosed patio -1,000		
					None +2,000			2 Fireplaces -2,000			None +2,000		
Net Adjustment (Total)					<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -4,000			<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -8,040			<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 6,000		
Adjusted Sale Price of Comparables					Net Adj. -3% Gross Adj. 5% \$ 155,900			Net Adj. -5% Gross Adj. 10% \$ 154,960			Net Adj. 4% Gross Adj. 5% \$ 158,000		

Sales Comparison Approach Section



Uniform Residential Appraisal Report													File #
There are 16 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 140,000 to \$ 170,000													
There are 27 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 140,000 to \$ 170,000													
FEATURE	SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3			
Address	123 Main Street Anytown, WI 12345			111 Tate Street Anytown, WI 12345			222 Chip Street Anytown, WI 12345			333 State Street Anytown, WI 12345			
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 sq. ft.			\$ 120.38 sq. ft.			\$ 98.25 sq. ft.			
Data Source(s)				MIs #123456;DOM 123			MIs #234561;DOM 234			MIs #345612;DOM 456			
Verification Source(s)				Transfer return data			Transfer return data			Transfer return data			
VALUE ADJUSTMENTS	DESCRIPTION			DESCRIPTION			DESCRIPTION			DESCRIPTION			+
Sale or Financing Concessions				ArmLth VA;0			ArmLth VA;5000			ArmLth Conv;0			
Date of Sale/Time				s06/23;c04/23			s08/22;c06/22			s08/22;c07/22			
Location	N;Res;			N;Res;			N;Res;			N;Res;			
Leasehold/Fee Simple	Fee simple			Fee simple			Fee simple			Fee simple			
Site	1 ac			89204 sf			2.06 ac			13068 sf			
View	N;Res;			N;Res;			N;Res;			N;Res;			
Design (Style)	DT1.5;cape cod			DT1.00;ranch			DT1.00;ranch			DT1.5;cape cod			
Quality of Construction	Q4			Q4			Q4			Q4			
Actual Age	68			57			50			64			
Condition	C4			C4			C4			C4			
Above Grade	Total	Bdms.	Baths	Total	Bdms.	Baths	Total	Bdms.	Baths	Total	Bdms.	Baths	
Room Count	7	3	1.0	7	3	1.0	6	3	1.0	8	4	1.0	
Gross Living Area	1,486 sq. ft.			1,396 sq. ft.			1,354 sq. ft.			1,547 sq. ft.			
Basement & Finished	810sf609sfin			1396sf504sfin			1354sf1000sfwo			800sf400sfin			
Rooms Below Grade	1rr0br0.1ba0o			0rr0br0.1ba1o			1rr2br1.0ba1o			1rr0br1.0ba0o			
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			2ga			2ga			
Porch/Patio/Deck	Patio			2 Porches			Deck, patio			Enclosed patio			

- No significant differences between subject and comps.

Across-the-Board Adjustments

What **IS** an across-the-board adjustment?

- Adjustment made to all comparables.
- Adjustment made in the same direction, either:
 - Presence of a feature that subject is missing, but each comparable has, or
 - Absence of a feature that subject has, but each comparable is missing.

Example of what is **NOT** an across-the-board adjustment:

- Adjustment for square footage made to all comparables – because some comparables are smaller; while others are larger.
- This practice is called bracketing.

Sales Comparison Approach Section



Review for across-the-board adjustments.

Uniform Residential Appraisal Report										File #		
There are 16 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 140,000 to \$ 170,000												
There are 27 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 140,000 to \$ 170,000												
FEATURE	SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	123 Main Street Anytown, WI 12345			111 Tate Street Anytown, WI 12345			222 Chip Street Anytown, WI 12345			333 State Street Anytown, WI 12345		
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 sq. ft.			\$ 120.38 sq. ft.			\$ 98.25 sq. ft.		
Data Source(s)				Mls #123456;DOM 123			Mls #234561;DOM 234			Mls #345612;DOM 456		
Verification Source(s)				Transfer return data			Transfer return data			Transfer return data		
VALUE ADJUSTMENTS	DESCRIPTION			+(-) \$ Adjustment			DESCRIPTION			+(-) \$ Adjustment		
Sale or Financing Concessions				ArmLth VA;0			ArmLth VA;5000			ArmLth Conv;0		
Date of Sale/Time				s06/23;c04/23			s08/22;c06/22			s08/22;c07/22		
Location	N;Res;			N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple	Fee simple			Fee simple			Fee simple			Fee simple		
Site	1 ac			39204 sf			2.06 ac			13068 sf		
View	N;Res;			N;Res;			N;Res;			N;Res;		
Design (Style)	DT1.5;cape cod			DT1.00;ranch			DT1.00;ranch			DT1.5;cape cod		
Quality of Construction	Q4			Q4			Q4			Q4		
Actual Age	68			57			50			64		
Condition	C4			C4			C4			C4		
Above Grade	Total	Bdms.	Baths	Total	Bdms.	Baths	Total	Bdms.	Baths	Total	Bdms.	Baths
Room Count	7	3	1.0	7	3	1.0	6	3	1.0	8	4	1.0
Gross Living Area	1,486 sq. ft.			1,396 sq. ft.			1,354 sq. ft.			1,547 sq. ft.		
Basement & Finished Rooms Below Grade	810sf609sfin			1396sf504sfin			1354sf1000sfwo			800sf400sfin		
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			2ga			2ga		
Porch/Patio/Deck	Patio			2 Porches			Deck, patio			Enclosed patio		

Sales Comparison Approach Section

Review the total net and gross adjustments.



Uniform Residential Appraisal Report								File #	
There are 16 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 140,000 to \$ 170,000									
There are 27 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 140,000 to \$ 170,000									
FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3			
Address	123 Main Street Anytown, WI 12345	111 Tate Street Anytown, WI 12345		222 Chip Street Anytown, WI 12345		333 State Street Anytown, WI 12345			
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 sq. ft.		\$ 120.38 sq. ft.		\$ 98.25 sq. ft.			
Data Source(s)		Mls #123456 DOM 123		Mls #234567 DOM 234		Mls #345612 DOM 456			
Verification Source(s)		Transfer return data		Transfer return data		Transfer return data			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment		
Sale or Financing Concessions		ArmLth VA:0		ArmLth VA:5000		ArmLth Conv:0			
Date of Sale/Time		s06/23;c04/23		s08/22;c06/22		s08/22;c07/22			
Location	N;Res;	N;Res;		N;Res;		N;Res;			
Leasehold/Fee Simple	Fee simple	Fee simple		Fee simple		Fee simple			
Site	1 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;rand	0	DT1.00;rand	0	DT1.5;cape cod	0		
Quality of Construction	Q4	Q4		Q4		Q4			
Actual Age	68	57	0	50	0	64	0		
Condition	C4	C4		C4		C4			
Above Grade	Total Bdms. Baths	Total Bdms. Baths		Total Bdms. Baths		Total Bdms. Baths			
Room Count	7 3 1.0	7 3 1.0		6 3 1.0		8 4 1.0			
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 Rooms Below Grade	810sf609sfin	1396sf504sfin	0	1354sf1000sfin	-4,000	800sf400sfin	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	Enclosed patio	-1,000		
		None	+2,000	2 Fireplaces	-2,000	None	+2,000		
Net Adjustment (Total)			\$ -4,000		\$ -8,040		\$ -6,000		
Adjusted Sale Price of Comparables		Net Adj. -3%		Net Adj. -5%		Net Adj. 4%			
		Gross Adj. 5%	\$ 155,900	Gross Adj. 10%	\$ 154,960	Gross Adj. 5%	\$ 158,000		

Net and Gross Adjustments

▪ Net Adjustments =

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

Example:

+	\$2,000	} = -\$2,000 Net
-	\$3,000	
+	\$4,000	
-	\$5,000	

▪ Gross Adjustments =

Total of all adjustments, **NOT INCLUDING** the positive and negative math factors.

Example:

+	\$2,000	} = \$14,000 Gross
-	\$3,000	
+	\$4,000	
-	\$5,000	

Sales Comparison Approach Section

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

H 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) County records				
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) MLS files				
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)	County records/MLS	County records/MLS	County records/MLS	County records/MLS
Effective Date of Data Source(s)	06/20/2023	06/20/2023	06/20/2023	06/20/2023
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 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

- Last section on URAR page 2.
- Process continues throughout Appraiser's analysis.
- Results in final estimate of market value.
- Appraiser reviews reasonableness and reliability of data in Sales Comparison approach, and if provided, Cost and Income Approaches (optional).



Appraiser fills-in opinion(s) of value for each approach used, provides comments explaining which approach(es) were given most weight and why.

Reconciliation Section



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

R E C O N C I L I A T I O N	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 placed 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 a lot value.			
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:			
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 06/13/2023 , which is the date of inspection and the effective date of this appraisal.			

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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.

R E C O N C I L I A T I O N	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 placed 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 a lot value.			
	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:			
	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 06/13/2023 , which is the date of inspection and the effective date of this appraisal.			

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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.



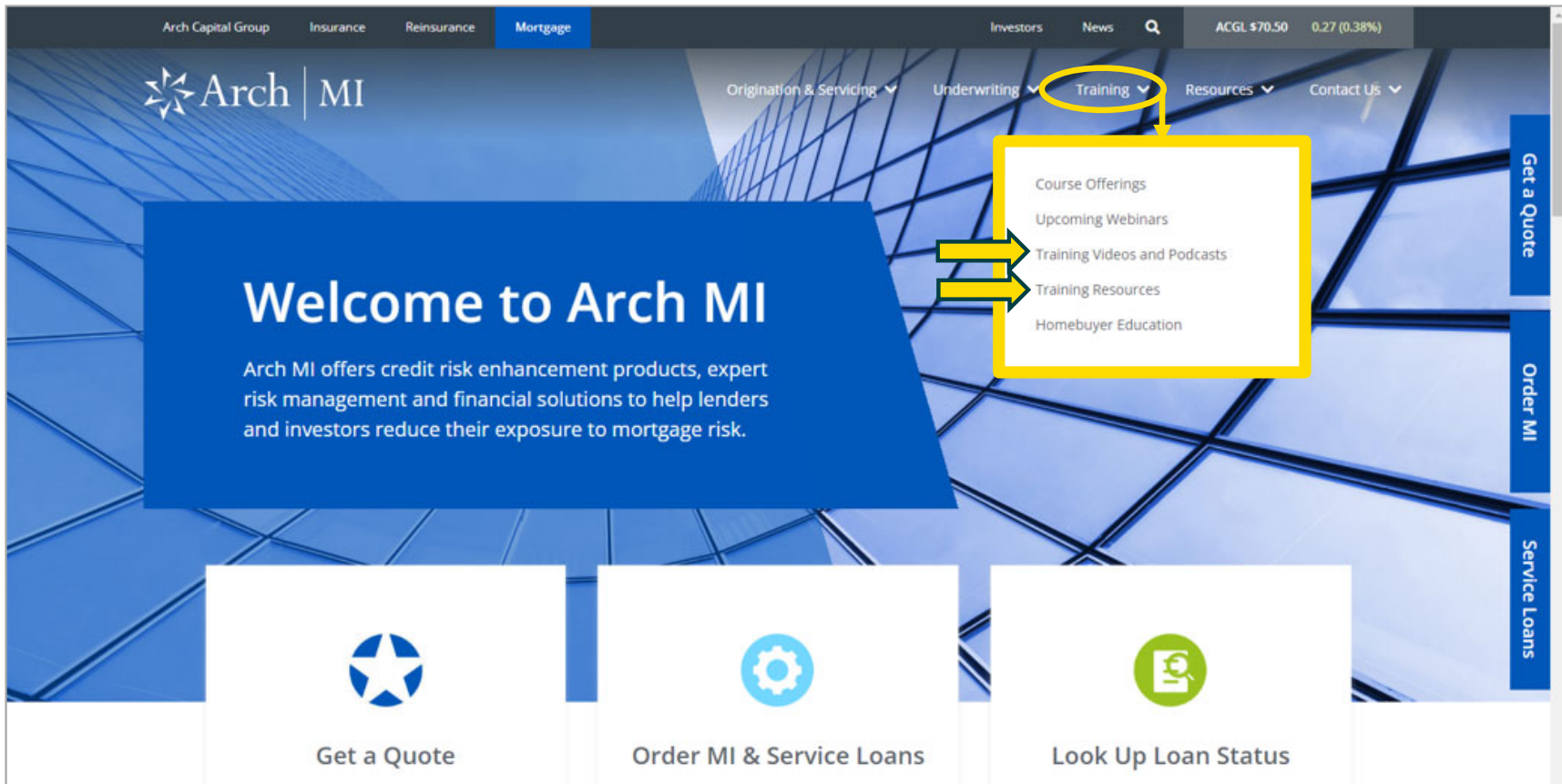
Addenda *(Continued)*

- Exhibits that are part of the appraisal: *(Continued)*
 - Building sketch or floor plan:
 - Matches room count and living area in Improvements Section.
 - Location map identifies subject and comparables:
 - Comparables within neighborhood boundaries.



Resources





The screenshot shows the Arch MI website interface. The top navigation bar includes 'Arch Capital Group', 'Insurance', 'Reinsurance', 'Mortgage', 'Investors', 'News', and a search icon. The 'Mortgage' tab is active. The main header features the Arch MI logo and navigation links for 'Origination & Servicing', 'Underwriting', 'Training', 'Resources', and 'Contact Us'. The 'Training' dropdown menu is open, listing 'Course Offerings', 'Upcoming Webinars', 'Training Videos and Podcasts', 'Training Resources', and 'Homebuyer Education'. A blue banner in the center reads 'Welcome to Arch MI' and describes the company's services. The bottom section contains three main action buttons: 'Get a Quote', 'Order MI & Service Loans', and 'Look Up Loan Status'. A vertical sidebar on the right contains 'Get a Quote', 'Order MI', and 'Service Loans' buttons.

THANK YOU

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