

# Appraisal Checklist

Appraisal comes back, **processors** to review within 4 hours, and send appropriate email to client and realtor. The following is a list of things to look for in the appraisal...

## SUBJECT SECTION

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.			
<b>SUBJECT</b>	Property Address <b>7425 Brown Fox St</b>	City <b>Zeeland</b>	State <b>MI</b> Zip Code <b>49464</b>
	Borrower <b>Larry and Linda Barrett</b>	Owner of Public Record <b>HLV Zeeland LLC</b>	County <b>Ottawa</b>
	Legal Description <b>Unit 42 Black Creek Ridge</b>		
	Assessor's Parcel # <b>70-17-16-490-042</b>	Tax Year <b>2012</b>	R.E. Tax <b>\$ 638</b>
	Neighborhood Name <b>Black Creek Ridge</b>	Map Reference <b>25100</b>	Census Tract <b>0230.02</b>
	Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments \$ <b>0</b>	<input checked="" type="checkbox"/> PUD HOA \$ <b>150</b> <input checked="" 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 <b>WCS Lending, LLC</b>	Address <b>951 Yamato Road, Suite 150, Boca Raton, FL 33431</b>	
	Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	Report data source(s) used, offering price(s), and date(s). <b>DOM 22: The only MLS data found on the subject was #12060282. The MLS list date was 11/13/2012 with a pending date of 12/05/2012. This listing information is after the date of the PA provided for review.</b>		

1. Make sure the Street Suffix is listed and matches what is on the purchase contract (Drive, Blvd, Street)
2. Make sure the Borrower and Seller's names match what is on the purchase contract AND the title work. (ALL 3 have to match)
3. Check the Tax Figure to ensure it matches to the tax certification and title commitment)
4. If there is HOA, ensure that you have the figure (per year or per month...and make sure this is marked accordingly) listed properly in Encompass
5. If Occupancy is Vacant, this may cause issues for FHA loan, OK with USDA.

## CONTRACT SECTION

1. Make sure the sales price and the seller concessions matches the purchase contract

<b>CONTRACT</b>	seller marketed the subject property privately.		
	I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. <b>Arms length sale; Contract was provided and appears typical.</b>		
	Contract Price \$ <b>99,000</b>	Date of Contract <b>10/11/2012</b>	Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) <b>MLS Public Records</b>
	Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	If Yes, report the total dollar amount and describe the items to be paid. <b>\$3,960;; Seller agrees to pay \$3,960 towards sellers closing costs and prepaids.</b>		
	<b>Note: Race and the racial composition of the neighborhood are not appraisal factors.</b>		

# Appraisal Checklist

## SITE SECTION

market is currently stable and mortgage funds with competitive rates are available to qualified buyers.								
Dimensions 60' x 125'		Area 7500 sf		Shape Rectangle		View B;Wtr;		
Specific Zoning Classification <b>PUD</b>		Zoning Description Planned Unit Development						
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 subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe								
<b>SITE</b>	<b>Utilities</b>		<b>Public</b>		<b>Other (describe)</b>		<b>off-site Improvements - Type</b>	
	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>
	Gas	<input type="checkbox"/>	<input type="checkbox"/> None	Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Alley None	<input type="checkbox"/>
	FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	FEMA Flood Zone	X	FEMA Map #	12003C0236C	FEMA Map Date
Are the buildings 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								
No apparent adverse easements or encroachments affecting value or marketability are noted. Subject dwelling is located in Flood Zone X, an area of minimal flood potential.								

1. Well? (If so, we need a water test. Make sure the realtor has ordered)
2. Septic? (If so, we need the statement that the "well is free of observable failures," somewhere in the addendum pages)
3. Private Road? (If so request private road maintenance agreement)
4. Flood Zone? (If yes, we need to inform all parties that we need flood insurance and a Flood Certification needs to be ordered and potentially an Elevation Certificate)
5. PUD? (Look for any HOA charges and add to the 1003)

# Appraisal Checklist

## 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 checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Concrete/Avg	Floors	Carpet/Vinyl/Avg
# of Stories 1	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Stucco/Avg	Walls	Drywall/Average
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq.ft.	Roof Surface	CompShngls/Avg	Trim/Finish	Wood/Avg
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts	Aluminum/Avg	Bath Floor	Vinyl/Avg
Design (Style) Contemporary	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	AlumSHlns/Avg	Bath Wainscot	Fiberglass/Avg
Year Built 2007	Evidence of <input type="checkbox"/> Infestation None	Storm Sash/Insulated	Insulated/Avg	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 3	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Yes/Avg	<input checked="" type="checkbox"/> Driveway	# of Cars 4
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) # 0	Driveway Surface	Concrete
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs <input type="checkbox"/> Other	Fuel Electric	Fireplace(s) # 0	<input type="checkbox"/> Fence None	<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	Patio/Deck None	<input checked="" type="checkbox"/> Porch Screened	<input type="checkbox"/> Carport	# of Cars 0
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	Pool None	<input type="checkbox"/> Other None	<input checked="" type="checkbox"/> Att.	<input type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input checked="" type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input checked="" type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)					
Finished area above grade contains: 7 Rooms 3 Bedrooms 2.0 Bath(s) 1,625 Square Feet of Gross Living Area Above Grade					
Additional features (special energy efficient items, etc.): Subject has: 2-Garage, Screened Porch.					
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.): C4:No updates in the prior 15 years;No External or Functional depreciation was noted. Physical depreciation noted was due to normal aging. No Deferred Maintenance was noted. Subject property has been adequately maintained and was in overall average condition at the time of the inspection.					
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					

1. Ensure that there is no listed External or Functional Depreciation. Basically, look for any negative comments. You will also find items listed needed to be repaired here.
2. No and Yes, are the only way you want to see boxes marked. Otherwise, we have a problem.

# Appraisal Checklist

## SALES COMPARISON APPROACH

	1,023 sq.ft.	1,014 sq.ft.	1,410	1,441 sq.ft.	13,340	1,321 sq.ft.	12,340
<b>SALES COMPARISON APPROACH</b>							
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Central H/C	Central H/C		Central H/C		Central H/C	
Energy Efficient Items	Insl.Windows	Insl.Windows		Insl.Windows		Insl.Windows	
Garage/Carport	2-Garage	2-Garage		1-Garage	+3,000	2-Garage	
Porch/Patio/Deck	Scmd Porch	Scmd Porch		Porch	+1,500	Patio	+2,000
Fence/InPool	None	Fence	-1,000	None		Fence	-1,000
Extras	None	None		None		None	
<b>Net Adjustment (Total)</b>			+ - \$ -8,470	+ - \$ -5,160		+ - \$ 1,940	
Adjusted Sale Price of Comparables		Net Adj. 7.5 % Gross Adj. 7.5 %	\$ 104,530	Net Adj. 4.0 % Gross Adj. 27.2 %	\$ 122,840	Net Adj. 1.5 % Gross Adj. 20.4 %	\$ 128,840
<input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain							
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.							

1. In ground Pool? ( If yes, we must deduct the contributory value)
2. Is there a Barn /outbuildings? Sq Ft? (If too large or is a farm outbuilding, we may need to deduct the contributory value). Also, check the pictures for more info on the outbuildings. Also, look for anything that could be considered 'income producing' such as a mother in law's suite, etc.

<b>RECONCILIATION</b>	Indicated Value by Sales Comparison Approach \$ 105,000
	Indicated Value by: Sales Comparison Approach \$ 105,000    Cost Approach (if developed) \$ 162,720    Income Approach (if developed) \$
	The Sales Comparison Approach provides the best indication of market value. The Cost approach is supportive but is not considered to be an accurate means in estimating market value. The Income Approach was not considered applicable.
	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. This appraisal is made "As Is".
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 \$ 105,000, as of 10/30/2012, which is the date of inspection and the effective date of this appraisal.	

1. Make sure value is ok, and adjust the 1003 accordingly.
2. Was the appraisal completed AS-IS? (If not we must send an email to all parties informing them of the deficiencies and then scheduling a reinspection-442 w/ photos-once complete. The reinspection cost will be \$150 charged to the buyer.)

# Appraisal Checklist

## ADDITIONAL COMMENTS

ADDITIONAL COMMENTS	be in average condition based on the appraiser's observation at the time of inspection. The appraiser has used comparable sales that reflect the "condition of the property" considering all factors including their effective and actual ages.
	RE: Inspection Criteria
	The appraiser is not a home inspector or an environmental expert. The subject was inspected for readily and observable conditions by viewing all rooms and areas that were accessible. The inspection process is not technically exhaustive and it does not offer any warranties or guarantees. The appraiser performed a visual inspection of the subject property in accordance with FHA Guidelines and the Uniform Standards of Professional Appraisal Practice (USPAP) Guidelines.
	RE: "Other Land Use"
	"Other" refers to Vacant Land in the Land Use section of this appraisal.
	RE: Utilities
	Utilities were NOT on at the time of the inspection.
	RE: USDA/RURAL HOUSING.
	Subject conforms to applicable HUD/FHA property requirements 4905.1 & 4150.2 and USDA/Rural housing thermal standards.
	RE: Predominant value
	Subject property is under the predominant value for the area. However, there are smaller less expensive homes in the area. Subject property is not an underimprovement.
	RE: Site-View Adjustments
	Adjustments for site size are based on the opinion of market value for the subject site as compared to the opinion of market value for the comparable sales site. Vacant land sales and property appraisers assessments were used to determine the opinion of site values.
	RE: Attic Inspection
A Head and Shoulder inspection was made on the subject properties attic. No known factors existed that would affect marketability.	

1. Ensure that the HUD handbook statement is listed. Also, the appraiser may not say that the property "appears" or "seems" to meet the HUD Guidelines. It must be a positive certification.
2. READ THIS ENTIRE SECTION to look for deficiencies such as the Utilities not being on as in this report.

# Appraisal Checklist

## COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)					
Provide adequate information for the lender/client to replicate the below cost figures and calculations.					
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) Site Value is determined by recent land sales and from property appraisers estimates.					
COST APPROACH	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE .....			= \$ 25,000
	Source of cost data Marshall & Swift Replacement	DWELLING	1,625 Sq.Ft. @ \$ 80.29	= \$ 130,468	
	Quality rating from cost service 4 Effective date of cost data 10/2012		0 Sq.Ft. @ \$	= \$	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.)				
	Subject property has an estimated remaining economic life of 52-57 years.	Garage/Carport	420 Sq.Ft. @ \$ 22.14	= \$ 9,299	
		Total Estimate of Cost-New			= \$ 139,705
		Less	Physical	Functional	External
	Appraiser used the Marshall and Swift Replacement Cost Handbook in determining the Cost Approach.	Depreciation	6,985		= \$( 6,985)
		Depreciated Cost of Improvements			= \$ 132,720
		'As-is' Value of Site Improvements			= \$ 5,000
Estimated Remaining Economic Life (HUD and VA only)	57 Years	INDICATED VALUE BY COST APPROACH .....			= \$ 162,720

1. The Opinion of Site Value cannot exceed 30% of the appraised value. (If so we need the appraiser to comment: Need to know if it is common for the area, if it affects marketability, and must comment whether the land can be subdivided.)
2. Remaining Economic Life Must be more than 30 Years

## RECONCILIATION

Before you finish with your appraisal review, make sure you review the following and make appropriate changes...

1. Check to ensure the appraisal invoice, HVCC certificate and appraisal license are present.
2. Make sure the EMD, Concessions, and Purchase Price are corrected and match the 1003
3. Get a new pre HUD with the correct loan amount (lenders require)
4. Update all title, credit, VOE, and appraisal charges
5. Put correct title charges on page 2 of 1003
6. Make sure funding fee is correct