

Appraisals & UAD 3.6

The Future of Property Valuation is Here

MGIC



General Property Eligibility

Number of units

- 1 to 4 units

Property ownership

- Fee simple
- Leasehold estate
- Co-op

Property location

- The United States (including District of Columbia)
- Puerto Rico
- U.S. Virgin Islands
- Guam

Acceptable dwellings

- On an individual lot
- In a condo project
- In a co-op project
- In a PUD

Ineligible properties

- Vacant land
- Not readily accessible
- Agricultural properties
- Units in condo or co-op hotels
- Properties not secured by real estate
- Boarding houses
- Bed & breakfast properties
- Properties not suitable for year-round occupancy

Property requirements

- Residential in nature
- Secured by an interest in real property
- Highest and best use of the property
- Safe, sound and structurally secure
- Complete
- Legal in zoning
- Readily accessible by roads
- Served by utilities
- Adequate mechanical systems
- Adequate property insurance
- Not subject to pending legal proceeding
- Suitable for year-round use*

*Exceptions for some second homes





UNIFORM MORTGAGE DATA PROGRAM



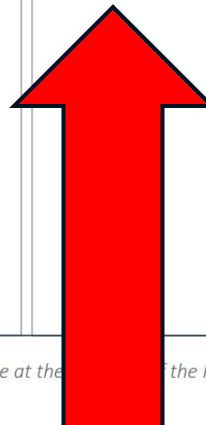
Fannie Mae®



| 2024 | | 2025 | | 2026 | | 2027 | |
|--|--|--|--|--|--|--|--|
| UAD 3.6 TESTING | | Uniform Appraisal Dataset (UAD) 3.6 PRODUCTION | | | | | |
| INDUSTRY PREP | | LIMITED PRODUCTION | | BROAD PRODUCTION | | MANDATE | RETIREMENT |
| | | September 8, 2025 – January 25, 2026 | | January 26, 2026 – November 1, 2026 | | November 2, 2026 | May 3, 2027 |
| | | UAD 2.6 -> UAD 3.6 Transition Period | | | | UAD 2.6 Pipeline Revisions | |
| Submit 2.6 Only | Submit 2.6 Only | Submit 2.6 and Limited Production Participants* to Submit 3.6 | | Submit 2.6 or Submit 3.6 | | Submit 3.6 Only | 2.6 Pipeline Cleared |
| November 18, 2024 – Redesignated Uniform Residential Appraisal Report (URAR) industry training available on GSE websites | June 4, 2025 – GSEs publish policy updates July 28, 2025 – ULDD Mandate: Lenders must deliver ULDD Phase 5 data points prior to using UAD 3.6 | September 8, 2025 – Fannie Mae and Freddie Mac can accept both UAD 2.6 and 3.6 *Limited Production Participants - Lenders who have submitted the UAD Questionnaire and received GSE approval will have controlled access to submit 3.6 to Uniform Collateral Data Portal (UCDP) | | January 26, 2026 – All Lenders may begin submitting to the GSEs’ production environment without prior GSE approval | | November 2, 2026 – Lenders must use UAD 3.6 for all new submissions on or after this date Revisions allowed for previously submitted UAD 2.6 appraisals | May 3, 2027 – UAD 2.6 Pipeline revisions period ends |

This document relates to the Uniform Mortgage Data Program®, an effort undertaken jointly by Freddie Mac and Fannie Mae at the direction of the Federal Housing Finance Agency.
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12/9/2024



URAR Section Organization

| URAR Section Organization | | | | |
|---------------------------|-------------------------------------|-----------------|--|--|
| Section # | Section Name (Black Tab) | Always Displays | When Section Displays | When Section Displays Multiple Times |
| 1 | Summary | √ | | |
| 2 | Assignment Information | √ | | |
| 3 | Subject Property | √ | | |
| 4 | Site | √ | | |
| 5 | Disaster Mitigation | | When there are disaster mitigation features | |
| 6 | Energy Efficient and Green Features | | When there are known renewable energy components, building certifications, or efficiency ratings | |
| 7 | Sketch | √ | | |
| 8 | Dwelling Exterior | √ | | For properties with multiple dwellings, the section repeats for each dwelling. |
| 9 | Manufactured Home | | When there is a manufactured home on the property <ul style="list-style-type: none"> If the manufactured home is a dwelling, the section displays after the applicable Dwelling Exterior section. If the manufactured home is an ADU, the section displays after the applicable Outbuilding section for the ADU. | For properties with multiple manufactured homes (dwellings or outbuildings), the section repeats for each manufactured home. |

| URAR Section Organization | | | | |
|---------------------------|--|-----------------|--|--|
| Section # | Section Name (Black Tab) | Always Displays | When Section Displays | When Section Displays Multiple Times |
| 10 | Unit Interior | √ | <ul style="list-style-type: none"> If the unit is in a dwelling, the section displays after the applicable Dwelling Exterior section. If the unit is in an outbuilding, the section displays after the applicable Outbuilding section. | For properties with more than one unit, or properties with ADU(s), the section repeats for each unit or ADU. |
| 11 | Functional Obsolescence | √ | | |
| 12 | Outbuilding | | When there is an outbuilding on the property | For properties with multiple outbuildings, the section repeats for each outbuilding. |
| 13 | Vehicle Storage | √ | | |
| 14 | Subject Property Amenities | √ | | |
| 15 | Overall Quality and Condition | √ | | |
| 16 | Highest and Best Use | √ | | |
| 17 | Market | √ | | |
| 18 | Project Information | | When the property is in a project (condominium, condop, cooperative) or in a PUD | |
| 19 | Subject Listing Information | √ | | |
| 20 | Sales Contract | | When there is an active sales contract | |
| 21 | Prior Sale and Transfer History | √ | | |
| 22 | Sales Comparison Approach | | When applicable Note: Although the majority of appraisals include the Sales Comparison Approach , there are cases where this section would not be included. | |
| 23 | Rental Information | | When applicable | |
| 24 | Income Approach | | When applicable | |
| 25 | Cost Approach | | When applicable | |
| 26 | Reconciliation | √ | | |
| 27 | Revision History | | When applicable | |
| 28 | Supplemental Information | | When applicable | |
| 29 | Certifications and Scope of Work, which includes the Certifications black tab | √ | | |

Appendix F-1: URAR Reference Guide – URAR Section Organization

Defect, damage or deficiency

- Negatively affect the integrity of the site itself
- Negatively affect the soundness or structural integrity of the improvements
- Measurably impact the marketability or value

Reported in sections

- Site
- Dwelling Exterior
- Outbuilding
- Unit Interior
- Vehicle Storage
- Subject Property Amenities

Appraiser must

- Identify and provide description of issue
- Complete report “subject to”
- Assign resolved condition status ratings

Recommended action

- Completion
- Inspection
- Repair or replacement
- None



Condition Rating

- Overall condition
- Exterior condition
- Interior condition

| Condition Rating Definitions | | |
|------------------------------|---|--|
| Rating | Condition Rating Definition | Criteria |
| C1 | The dwelling is 100% newly constructed, completed within the past 12 months, has never been occupied, and exhibits no signs of wear or use. | <p>A dwelling in C1 condition:</p> <ul style="list-style-type: none"> • Has a foundation that must be 100% original to the new construction. • May include non-structural components composed of "like new" recycled materials (e.g., reconditioned or refinished barn wood). • Is a 100% newly constructed dwelling that does not exhibit physical depreciation. |
| C2 | The dwelling exhibits like-new condition. It has been recently constructed or entirely remodeled within 36 months prior to the appraisal date, while retaining portions of the pre-existing structure. The dwelling may have been occupied but features no deferred maintenance and requires no repair. | <p>A dwelling in C2 condition:</p> <ul style="list-style-type: none"> • Has been recently constructed (within the past 36 months), and otherwise exhibits virtually no wear and tear, but is no longer new due to occupancy or use (e.g., model home), or • Has been fully remodeled "to the studs" including new major components; a new dwelling built utilizing the footprint or façade of a pre-existing dwelling; or a newly converted condo/co-op in a pre-existing building. |
| C3 | The dwelling has been well-maintained and exhibits only minimal wear and tear. The dwelling may exhibit only minor age-related physical depreciation; or, most components, but not every major building component, has been updated or renovated. | <p>A dwelling in C3 condition will likely have:</p> <ul style="list-style-type: none"> • Components or rooms that are older but have been very well maintained or experienced minimal use, and show little or no physical depreciation, or • Major components or rooms that have been recently updated, but which do not constitute a full-home renovation/remodel. <p>Examples of major components include but are not limited to a combination of (one or more):</p> <ul style="list-style-type: none"> • Newer roof • Some newer mechanicals • New / newer floor coverings • Remodeled kitchen or bathroom(s) |
| C4 | The dwelling has been adequately maintained and exhibits moderate wear and tear resulting from occupancy and exposure to elements. The dwelling may feature some updating, but otherwise contains deferred maintenance items that are generally minor or cosmetic in nature. | <p>A dwelling in C4 condition may have experienced some periodic updating but most components are near the middle of their life cycle. Common deferred maintenance resulting from typical use is apparent but presents no immediate impact.</p> <p>Examples include, but are not limited to:</p> <ul style="list-style-type: none"> • Minor damage to walls or trim (interior or exterior) • Worn floor finishes or carpet that shows age • Kitchen or bathrooms that are dated but fully functional |
| C5 | The dwelling exhibits significant wear and tear resulting from inadequate maintenance, but the soundness and structural integrity are sufficient to support occupancy. Some components may be missing or near the end of their useful life, but major components are still functional. | <p>A dwelling in C5 condition has items that will need to be repaired, rehabilitated, or replaced in the near future for the dwelling to remain useable and functional.</p> <p>Examples include, but are not limited to:</p> <ul style="list-style-type: none"> • Roofing that is significantly worn, cupped, or curled but with no apparent active leaks • Severely worn, damaged, or missing floor coverings • Functional kitchen or bathroom that may be in disrepair (e.g., damaged or missing cabinets or countertops). |
| C6 | The dwelling features an extreme lack of maintenance, resulting in severe damages, deficiencies, or defects that impact the soundness or structural integrity, and the dwelling is not suitable for occupancy. There are major components that may be missing, no longer functional, or otherwise require immediate correction. | <p>A dwelling in C6 condition is not useable or functional in its current state, and will require immediate repairs, rehabilitation, or replacement of key components.</p> <p>Examples include, but are not limited to:</p> <ul style="list-style-type: none"> • Active roof leaks • Damaged or missing exterior components that allow weather intrusion into the dwelling with resultant structural impact or damage • Damaged or failing foundation • No functional kitchen or bathrooms |

Appendix F-1: Appendix 2 – Condition and Quality Definitions

Quality Rating

- Overall quality
- Exterior quality
- Interior quality

| Quality Rating Definitions | | | |
|--|---|--|---|
| In each category, the property must meet the majority of the criteria listed but does not have to meet all criteria. | | | |
| Rating | Overall Quality Rating | Interior Quality Rating | Exterior Quality Rating |
| Q1 | The dwelling is an individually designed, one-of-a-kind structure built to exacting standards. Q1 features exceptional quality materials and luxury amenities, and exhibits the highest quality of workmanship and complexity in architectural design. The dwelling features a high degree of refinement and ornamentation that requires specialized construction or installation. A Q1 dwelling is recognized as being very rare or even non-existent in some communities. | <ul style="list-style-type: none"> • Spacious rooms with high ceilings featuring extensive use of treatments (e.g., coved, barrel, cupola, coffered, beamed) and exceptional grade trim and custom millwork throughout. • Exceptional grade, often rare or imported flooring materials, frequently featuring inlay work or other customization. • Spacious kitchens featuring top-grade materials, extensive cabinetry, and countertop surface area; appliances and fixtures are frequently state of the art, custom-designed, built-in, or commercial grade. • Luxury bathrooms, often oversized and featuring exceptional quality materials and multiple ornate or state-of-the-art fixtures and features. | <ul style="list-style-type: none"> • Custom fenestration and doorways using exceptional grade materials and engineering; featuring keystones or detailed mouldings throughout. • Roof designs using premium materials designed for longevity and resistance to weather; often featuring large ornamental overhangs, multiple hips and valleys, or steep pitches. • Exterior walls constructed using exceptional grade materials, often featuring multiple corners, unique angles and shapes, and extensive use of trim or decorative adornments. |
| Q2 | The dwelling is a high-quality structure, often using customized or complex, commercially available plans. The materials and amenities have extended life expectancy, high energy efficiency, and greater detail, ornamentation, or custom finishes. A Q2 dwelling can contain a mixture of upgraded, high-end and luxury materials, constructed with high-quality workmanship. | <ul style="list-style-type: none"> • Spacious rooms with higher ceilings that may have custom design elements (e.g., coved, barrel, cupola, coffered, beamed), high-end built-ins, mouldings and wall treatments in communal areas and the main bedroom. • High-grade floor coverings designed for the highest level of durability and occasionally featuring inlays or other customization. • Large kitchens featuring high-end appliances, extensive cabinetry, and countertops. • Large bathrooms specifically dedicated to certain bedrooms as well as at least one common bathroom; containing high-end countertops, cabinetry, and plumbing fixtures. | <ul style="list-style-type: none"> • Multiple windows and doorways constructed with high-end materials, featuring custom design particularly at the front and rear entry and often featuring keystones or other decorative adornments. • Roof designs using high-end roof materials; typically featuring ornamental overhangs, steep pitches, and multiple ridges, hips and valleys, and gables. • Exterior walls constructed using high-end materials and featuring multiple corners with angled walls, unique shapes, and custom trim at focal points. |

| Quality Rating Definitions | | | |
|--|---|---|--|
| In each category, the property must meet the majority of the criteria listed but does not have to meet all criteria. | | | |
| Rating | Overall Quality Rating | Interior Quality Rating | Exterior Quality Rating |
| Q3 | The dwelling represents housing that can be reproduced from standard plans, featuring a higher than standard degree of complexity and some customization in the structural design, amenities, and finishes. A Q3 dwelling can contain a mixture of premium and standard level materials or amenities. They are often characterized as "semi-custom" new construction, or as pre-existing dwellings that are upgraded using some premium materials or amenities. | <ul style="list-style-type: none"> • Large general living areas or main bedroom with all other rooms sufficiently sized. • Some rooms may have vaulted ceilings, and custom design elements such as built-ins, upgraded trim, finishes, mouldings and wall treatments. • Upgraded or high-grade floor coverings that exceed the quality and durability of standard-grade. • Moderately sized kitchens featuring upgraded appliances, cabinetry and countertops or a mix of upgraded and high-grade elements. • Multiple bathrooms of moderate size with some bathrooms specifically dedicated to certain bedrooms as well as at least one common bathroom; containing upgraded cabinetry and plumbing fixtures or a mixture of upgraded and high-end elements. | <ul style="list-style-type: none"> • Multiple windows and doorways constructed with upgraded materials and featuring decorative design elements adorning at least the front of the home. • Roof designs using upgraded roof materials; may have steep pitches, could have more than one ridge with hips and valleys, gables, and overhangs. • Exterior walls constructed using upgraded materials and featuring multiple corners with some angled walls or unique shapes. |
| Q4 | The dwelling is constructed using standard building plans and designs that can be reproduced multiple times with minimal customization or style variations. The materials and amenities are widely available and can contain a mixture of some standard and economy-level materials. | <ul style="list-style-type: none"> • Sufficiently sized rooms typically with flat ceilings and some vaulted ceilings in larger rooms, some trim or finishes of basic design. • Standard floor coverings that exceed the quality and durability of economy grade. • Moderately sized kitchens featuring standard-grade appliances, cabinetry and countertops or a mix of economy and upgraded elements. • Usually featuring multiple bathrooms of moderate size containing standard-grade cabinetry and plumbing fixtures or a mixture of economy and upgraded elements. | <ul style="list-style-type: none"> • Windows and doorways constructed of standard-grade material. • Simple roof designs using standard-grade roof materials with moderate pitch and could have more than one ridge; may feature some simple decorative elements such as gables or overhangs. • Exterior walls constructed using standard-grade materials and featuring multiple corners; but basically rectangular in shape or footprint. |
| Q5 | The dwelling is basic in design and meets minimum building standards. Dwellings rated Q5 are designed for efficiency in installation and construction representing basic housing. Q5 dwellings have minimal refinements or upgrades but are not considered substandard. | <ul style="list-style-type: none"> • Small rooms typically with flat ceilings, minimal trim or finishes of basic design. • Economy floor coverings that meet minimum standards. • Small kitchens featuring economy-grade appliances, cabinetry, and countertops or a mix of standard and economy grade. • Bathrooms that are limited in size and number, and feature economy-grade cabinetry and plumbing fixtures or a mixture of economy and standard-grade elements. | <ul style="list-style-type: none"> • Limited windows and doorways, constructed of economy grade materials, simple in shape and design, and featuring basic trim and finish. • Basic roof design, usually low-pitch and single roofline; features economy or standard-grade roof materials. • Exterior walls constructed using economy or standard-grade materials and featuring minimal corners; usually a basic rectangular shape. |
| Q6 | The dwelling is a structure constructed in a manner reflecting a lack of basic architectural designs and may not meet local building standards. The materials and amenities are low quality, alternate, or non-customary; or whose construction or installation reflects unskilled workmanship and may not be adequately equipped to support year-round occupancy. Q6 dwellings may be rare or even non-existent in many communities. | <ul style="list-style-type: none"> • Small rooms often with low ceilings, limited closet or storage space, and little or no trim or finishes. • Low grade or non-existent floor coverings. • Small kitchens featuring only the minimum requirements for function; with limited cabinetry and countertop space; and low-grade or non-existent appliances. • Bathrooms that are limited in size and number and feature only the minimum requirements for function; limited or no cabinetry; and low-grade plumbing fixtures. | <ul style="list-style-type: none"> • Limited windows and doorways, constructed of lower-grade materials and featuring minimal or no trim and finish. • Basic roof design, usually low-pitch and single roofline; may possess inconsistent rooflines if additions are present; features low-grade or alternate roof materials. • Exterior walls constructed using economy or low-grade materials and featuring minimal corners; usually a basic rectangular shape. |

Appendix F-1: Appendix 2 – Condition and Quality Definitions

Required Exhibits & Photos

| Exhibit | Requirements |
|---|--|
| Floor plan or footprint sketch and calculations | <p>A floor plan is required for the following:</p> <ul style="list-style-type: none">all property data collections,hybrid appraisals,desktop appraisals, andtraditional appraisals when the layout of the dwelling unit(s) is atypical or functionally obsolete, limiting the appeal of the property in comparison to competitive properties in the market area. <p>A footprint sketch can only be used for a traditional appraisal if the layout of the dwelling unit(s) is not atypical or functionally obsolete.</p> |
| Street map | <p>A map showing the location of the subject property and the comparables used in the appraisal report.</p> |

| Exhibit | Requirements |
|----------------------|--|
| Exterior photographs | <p>Clear, descriptive color photographs showing the front, back, and street scene of the subject property and the front of each comparable. If the subject property has multiple dwellings on site, then a front photo of each dwelling is required.</p> <p>Additional photographs are required when the subject property has any of the following:</p> <ul style="list-style-type: none">a non-residential use,an outbuilding,water frontage with private access,views that impact value or marketability, ora physical defect, damage, or deficiency. <p>The subject property and all comparables must be appropriately identified and described. Photographs of comparable rentals utilized in the appraisal report are not required.</p> |
| Interior photographs | <p>At a minimum, the appraisal report must include interior photographs of the following parts of the subject property:</p> <ul style="list-style-type: none">all kitchens;all bathrooms;main living areas of the property (such as living room, family room, dining room, all bedrooms, etc.);below-grade area(s), including all finished and unfinished rooms;any physical defect, damage, and deficiency, if present; andexamples of recent updates, such as restoration, remodeling, and renovation, if present. <p>Note: Interior photographs of proposed or under construction properties may be taken at the time of the completion inspection and included with the completion report.</p> |

Fannie Mae Selling Guide Supplement: UAD 3.6 Policy (2025)

Required Lender Actions

Summary

- Property Description
- Apparent Defects, Damages, Deficiencies Requiring Action
- As Is Overall Condition Rating

Uniform Residential Appraisal Report

123 FALLING TREE CT, TREEVILLE, VA 12345

SUMMARY

Opinion of Market Value \$491,000

Market Value Condition Subject to Repair

Final Value Condition Statement This appraisal is made subject to the itemized list of repairs or alterations below on the basis of a hypothetical condition that the repairs or alterations have been completed in a professional manner. This might have affected the assignment results.

Effective Date of Appraisal 09/20/2019

Property Valuation Method Traditional Appraisal

Assignment Reason Purchase

Appraiser Name Agatha Appraiser

Borrower Name Betty Borrower

Bob Borrower

Current Owner of Public Record Jane Doe

Contract Price \$489,000

Listing Status Pending

Property Description

Construction Method Site Built

Attachment Type Detached

Planned Unit Development (PUD) ☒ Yes ☐ No
 Condominium ☐ ☒
 Cooperative ☐ ☒
 Condop ☐ ☒
 Subject Site Owned in Common ☐ ☒

Units Excluding ADUs 1

Accessory Dwelling Units 0

Property Rights Appraised Fee Simple

Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No

Zoning Compliance Legal

Overall Quality Q4

Overall Condition C4

Large photo required

Apparent Defects, Damages, Deficiencies Requiring Action

The items listed below represent the As Is condition as of the effective date of this report

| Feature | Location | Description | Affects Soundness or Structural Integrity | Recommended Action | Estimated Cost to Repair |
|-------------------|-----------------|--|---|--------------------|--------------------------|
| Dwelling Exterior | | | | | |
| Roof | Section of Roof | Roof is significantly worn and has damaged flashing, but no apparent active leaks. | Yes | Repair | \$1,500 |
| Total Cost | | | | | \$1,500 |

As Is Overall Condition Rating C5

Existing condition of the property as of the effective date of this appraisal, excluding all required repairs, alterations, or inspections

Appraisal Version #4

Fannie Mae | Freddie Mac
September 2024

Single Family Scenario 1 (SF1)

Appraiser Reference ID AA12345

Client Reference ID 1234567

AMC Reference ID 543234

Read Summary to start to get to know property

Note current Market Value Condition

Note Overall Quality & Condition Ratings

Note any Recommended Action required

Note Version #

Required Lender Actions

Check for relationships

Confirm owner of record

Check <120 days old

Confirm eligibility

Confirm active license at asa.gov

Uniform Residential Appraisal Report Page 2 of 21

Assignment Information

| | | | |
|---------------------------------------|----------------|--|---|
| Assignment Reason | Purchase | Property Valuation Method | Traditional Appraisal |
| Borrower Name | Betty Borrower | Was a Property Data Report used in lieu of an Inspection? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| | Bob Borrower | | |
| Seller Name | Jane Doe | | |
| Current Owner of Public Record | Jane Doe | | |

Contact Information

Client/Lender

| | |
|-----------------|-------------------|
| Company Name | DEF Bank |
| Company Address | 200 Elm St |
| | Anytown, VA 12346 |

Appraisal Management Company

| | |
|-----------------|----------------------------------|
| Company Name | XYZ Appraisal Management Company |
| Company Address | 300 Maple Ave |
| | Anytown, VA 12345 |

Appraiser

| | | |
|-----------------|-------------------|--------------------|
| Name | Agatha Appraiser | Credentials |
| Designation | SRA | Level |
| Company Name | ABC Appraisal Co. | ID |
| Company Address | 123 Main St | State |
| | Anytown, VA 12345 | Expires |
| | | 10/10/2020 |

Scope of Inspection by Appraiser

| | |
|-----------------------------|------------|
| Subject Property Inspection | |
| Exterior | Physical |
| Interior | Physical |
| Inspection Date | 09/20/2019 |

Significant Real Property Appraisal Assistance

| | | |
|------|------------------|--------------------|
| Name | Andrew Appraiser | Credentials |
| | | Level |
| | | None |

Description Andrew Appraiser, a trainee appraiser, filled out the Market section, provided the Market Analysis, assisted in measuring property, and did an exterior inspection of the comparables from the street.

Required Lender Actions

Confirm accuracy

Subject Property

| | | | |
|-------------------|---------------------|--------------------------|----------|
| Physical Address | 123 Falling Tree Ct | Attachment Type | Detached |
| | Treeville, VA 12345 | Units Excluding ADUs | 1 |
| County | Arboreal | Accessory Dwelling Units | 0 |
| Neighborhood Name | Sunnyside | Special Tax Assessments | No |

If yes, look for details & review sales contract

If a new construction, are all components new (including foundation)?

| | Yes | No |
|---|-------------------------------------|-------------------------------------|
| Planned Unit Development (PUD) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Condominium | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Cooperative | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Condom | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Property on Native American Lands | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Subject Site Owned in Common | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Homeowner Responsible for all Exterior Maintenance of Dwelling(s) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| New Construction | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If leasehold, look for details & review eligibility

| Ownership Rights | |
|----------------------------------|------------|
| Property Rights Appraised | Fee Simple |
| All Rights Included in Appraisal | Yes |

If no, look for description & consult guidelines

Legal Description

Lot 53 Sunnyside Subdivision

Review for consistency

Required Lender Actions

Confirm consistency with sales contract

Zoning – If other than Legal, look for impact

Non-Residential Use – confirm eligibility

Site Influence – assess & check eligibility

Site Features – Hazard Zone is required

Utilities must meet community standards

| Site | | | | |
|--|--|------------------------|---------------------------------|---------------------------------|
| Total Site Size | | 14,950 Sq. Ft. | | |
| Assessor Parcel Number (APN) | | APN Description | | Parcel Size |
| 1234-56-7891-000 | | Land with Dwelling | | 14,950 Sq. Ft. |
| Zoning | | | | |
| Compliance | Legal | | | |
| Classification Code | R10 | | | |
| Classification Code Description | Residential - 10 Dwelling Units per Acre | | | |
| Property Use | | | | |
| Non-Residential Use | None | | | |
| Site Influence | | | | |
| Influence | Proximity | Detail | Impact | Comment |
| Residential | Bordering | | Neutral | Typical residential subdivision |
| View and Impact to Value/Marketability | | | | |
| View | Range of View | | Impact | |
| Residential | Full | | Neutral | |
| Site Features and Impact to Value/Marketability | | | | |
| Feature | Detail | Impact | Comment | |
| Hazard Zone | No Hazard Zone Noted | | | |
| Site Characteristic | Topography Rolling | Adverse | Steep grade is less marketable. | |
| Utilities and Impact to Value/Marketability | | | | |
| Broadband Internet Available Yes | | | | |
| | Public | Private | Detail | Private Utility Impact |
| Electricity | ✓ | | | |
| Gas | ✓ | | | |
| Sanitary Sewer | ✓ | | | |
| Water | ✓ | | | |
| Apparent Defects, Damages, Disturbances (Site) | | | | |
| None | | | | |
| Site Exhibits | | | | |

If >1, appraiser will indicate if contiguous

If private road, is there an agreement?

Are required exhibits provided?

Required Lender Actions

Energy Efficient and Green Features

- Solar Panels
- Building Certifications
- Green Efficiency Ratings

If solar panels are present, has the appraiser indicated ownership and impact to value?

Uniform Residential Appraisal Report

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Energy Efficient and Green Features

Known Renewable Energy Components None

Known Building Certifications None

Green/Energy Efficiency Rating Organization

Rating

Score

RESNET

HERS

62

Energy Efficient and Green Features Impact to Value/Marketability

Impact to Value/Marketability Neutral

Energy Efficient and Green Features Commentary

On average, homes with a HERS Index rating of 62 are 38% more energy efficient than a standard new house.

Energy Efficient and Green Features Exhibits

RESNET HERS Score



Required Lender Actions

Sketch

Was ANSI used?

Are exterior dimensions legible?

Are room labels provided?

Does the sketch include all levels of dwelling?

Any signs of functional deficiencies?

ANSI – Standardizing Property Measuring Guidelines

Appendix F-1: Appendix 3 – ANSI Examples

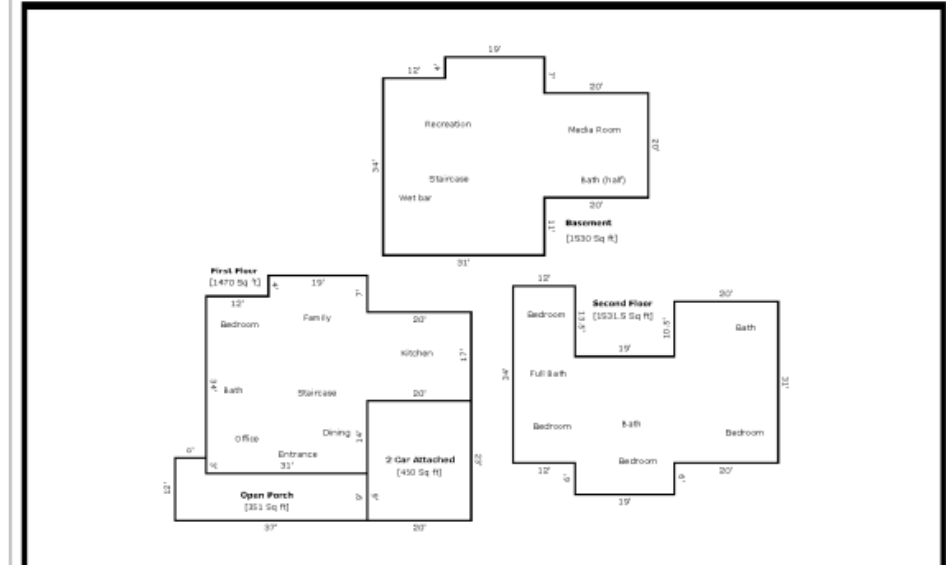
Uniform Residential Appraisal Report

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Sketch

Measurement Standard ANSI

Sketch



| Area Calculations Summary | | | |
|------------------------------|--------------|---------------------|-------|
| Living Area | | Calculation Details | |
| First Floor | 1470 Sq ft | 17 x 20 = | 340 |
| | | 31 x 34 = | 1054 |
| | | 4 x 19 = | 76 |
| Second Floor | 1531.5 Sq ft | 31 x 20 = | 620 |
| | | 34 x 12 = | 408 |
| | | 19 x 26.5 = | 503.5 |
| Total Living Area (Rounded): | | 3002 Sq ft | |
| Non-living Area | | | |
| Open Porch | 351 Sq ft | 12 x 6 = | 72 |
| | | 9 x 31 = | 279 |
| 2 Car Attached | 460 Sq ft | 20 x 23 = | 460 |
| Basement | 1530 Sq ft | 20 x 20 = | 400 |
| | | 31 x 34 = | 1054 |
| | | 4 x 19 = | 76 |

Required Lender Actions

Dwelling Exterior

- Number of Units
- Dwelling Style
- Front Door Elevation
- Year Built
- Construction Method
- Converted Area
- Photo

Confirm number of units

Has Front Door Elevation been provided as required?

Any Converted Area?

Is the photo provided in color and clear?

Dwelling Exterior

Subject Property Units in

Structure 1

Dwelling Style Colonial

Front Door Elevation 3-4 Ft.

Year Built 2004

Construction Method Site Built

Converted Area None

Photo required

Appraisal Version #4

Fannie Mae | Freddie Mac
September 2024

Single Family Scenario 1 (SF1)

Appraiser Reference ID AA12345
Client Reference ID 1234567
AMC Reference ID 543234

Required Lender Actions

Dwelling Exterior

- Quality and Condition
- Exterior Features
 - Walls and Trim
 - Foundation
 - Roof
 - Windows
- Mechanical System Details

Note Quality & Condition Ratings

Dwelling Exterior (continued)

| | |
|-----------------------------------|-------------------------------------|
| Quality and Condition | |
| Exterior Quality Rating Q4 | Exterior Condition Rating C4 |

The table below supports the Exterior Quality and Condition ratings and reflects the market value condition of this report

| Exterior Features | | | | |
|--------------------------|---|---|-----------------------|--|
| Feature | Detail | Quality Comment | Condition Status | Condition Comment |
| Exterior Walls and Trim | Vinyl | | Typical Wear and Tear | Minor cracks to vinyl typical for age. |
| Foundation | Poured Concrete Basement | | Typical Wear and Tear | |
| Roof | Composition Estimated Age: 10-20 years | | Typical Wear and Tear | Reported condition is subject to repair; see defects table and commentary below. |
| Windows | Vinyl Double Hung - Thermal Pane | Double Thermal Pane contributes to Energy Efficiency. | Typical Wear and Tear | Windows same age as house. |

| Mechanical System Details | | |
|----------------------------------|-----------------|-------------|
| | System | Detail |
| Heating | Forced Warm Air | Natural Gas |
| Cooling | Centralized | |

Core Heating System Below Grade ☒ Yes ☐ No

Other Mechanical Systems Sump Pump
Water Heater

Appendix F-1: URAR Reference Guide

Required Lender Actions

Dwelling Exterior

- Apparent Defects, Damages, Deficiencies
 - Recommended Action
 - Completion
 - Inspection
 - Repair
 - None
- Dwelling Exterior Commentary
- Dwelling Exterior Exhibits



Has repair been addressed in sales contract?

Are all required photos provided?


| Apparent Defects, Damages, Deficiencies (Dwelling Exterior) | | | | |
|--|-----------------|--|---|--------------------|
| The items listed below represent the As Is condition as of the effective date of this report | | | | |
| Feature | Location | Description | Affects Soundness or Structural Integrity | Recommended Action |
| Roof | Section of Roof | Roof is significantly worn and has damaged flashing, but no apparent active leaks. | Yes | Repair |

Dwelling Exterior Commentary
Condition Status is reflective of noted repair having been completed.

Dwelling Exterior Exhibits

| Dwelling Front | Dwelling Rear |
|--|--|
|  Photo required |  Photo required |

Apparent Defects, Damages, Deficiencies - Roof - Damaged Flashing

| |
|--|
|  Photo required |
|--|

Required Lender Actions

Unit Interior

- Area Breakdown
- Area Data Source
- Below Grade Finish
- Levels in Unit
- Occupancy
 - Owner
 - Tenant
 - Vacant
- Total Bedrooms
- Total Bathrooms – Full
- Total Bathrooms – Half
- Level and Room Detail table

Confirm consistency
with sketch

Confirm
occupancy
consistency

Uniform Residential Appraisal Report

Unit Interior

Area Breakdown

| | |
|------------------------|---------------|
| Finished Above Grade | 3,002 Sq. Ft. |
| Unfinished Above Grade | 0 Sq. Ft. |
| Finished Below Grade | 1,300 Sq. Ft. |
| Unfinished Below Grade | 230 Sq. Ft. |

Area Data Source Physical Measurement

Below Grade Finish Compared to Above Similar

Levels in Unit

3

Occupancy

Owner

Total Bedrooms

5

Total Bathrooms - Full

3

Total Bathrooms - Half

1

Level and Room Detail

| Level in Unit | Grade Level Detail | Finish | Area | Room Summary |
|---------------|---|------------|---------------|---|
| Level B1 | Partially Below Grade Interior and Exterior Access Walk Out | Finished | 1,300 Sq. Ft. | 1 - Bath - Half 1 - Media Room 1 - Recreation Room 1 - Wet Bar |
| | | Unfinished | 230 Sq. Ft. | |
| Level 1 | Above Grade | Finished | 1,470 Sq. Ft. | 1 - Bath - Full 1 - Bedroom 1 - Dining Room 1 - Family Room 1 - Kitchen 1 - Office |
| Level 2 | Above Grade | Finished | 1,532 Sq. Ft. | 2 - Bath - Full 4 - Bedroom 1 - Laundry Room |

Grade Level Type (Choose one for each level in the unit)

| Allowable Answer | Definition / Additional Guidance |
|-----------------------|---|
| Above Grade | At or above ground level with the walls having minimal or no earth contact. |
| Fully Below Grade | Below ground level with each wall having earth contact and not having the potential for ingress or egress at ground level without the use of stairs. Note: When ANSI is the applicable standard, fully below grade area is counted in <i>Below Grade Finished Area (10.006)</i> or <i>Below Grade Finished Area (Nonstandard) (10.007)</i> in Area Breakdown . |
| Partially Below Grade | Partially below ground level with wall(s) having earth contact, and at least one wall having existing or potential ingress or egress at ground level (e.g., walk out basement). Note: When ANSI is the applicable standard, partially below grade area is counted in <i>Below Grade Finished Area (10.006)</i> or <i>Below Grade Finished Area (Nonstandard) (10.007)</i> in Area Breakdown . |

Appendix F-1: URAR Reference Guide

Required Lender Actions

Unit Interior

- Quality and Condition
 - Interior Quality/Condition Ratings
- Kitchen and Bathroom Details
- Overall Update Status for Bathrooms
- Interior Features
- Overall Update Status for Flooring

Note Quality & Condition Ratings

Note the Condition Statuses.
Are they consistent with the rating?

| Quality and Condition | | | | | |
|---|---|---|---|--|-------------------------------------|
| Interior Quality Rating | | Q4 | | Interior Condition Rating C4 | |
| The tables below support the Interior Quality and Condition ratings and reflect the market value condition of this report | | | | | |
| Kitchen and Bathroom Details | | | | | |
| Room | Update Status | Time Frame | Quality Comment | Condition Status | Condition Comment |
| Kitchen Level 1 | Not Updated | | Corian Countertops, Double Oven, Hardwood floors. | Typical Wear and Tear | |
| Bath - Full Level 2 | Not Updated | | Double Sink with separate shower and extra-large tub, ceramic flooring. | Typical Wear and Tear | |
| Bath - Full Level 1 | Not Updated | | Ceramic flooring. | Typical Wear and Tear | |
| Bath - Full Level 2 | Not Updated | | Ceramic flooring. | Typical Wear and Tear | |
| Bath - Half Level B1 | Fully Updated | 5-10 years | Ceramic flooring. | Typical Wear and Tear | Half bath newer than rest of house. |
| Overall Update Status for Bathrooms Moderately Updated | | | | | |
| Interior Features | | | | | |
| Feature | Detail | Quality Comment | Condition Status | Condition Comment | |
| Flooring | Carpet | Throughout all bedrooms and living areas. | Damaged and Functional | Original carpet, stained in one corner in the Dining Room. | |
| | Ceramic Tile | All baths. | Typical Wear and Tear | | |
| | Engineered Wood | Throughout finished below grade area. | Typical Wear and Tear | | |
| | Hardwood | Kitchen and Hallways. | Typical Wear and Tear | | |
| Walls and Ceiling | 8 Ft. 9 Ft. 10 or more feet 2 or more stories Cathedral Coffered Flat | Cathedral ceiling in bedroom, 2 story family room, coffered ceiling in media room. 9 foot ceiling in 1st level. | Typical Wear and Tear | | |
| Overall Update Status for Flooring Not Updated | | | | | |
| Accessibility Features for Individuals with Disabilities | | | | | |
| Feature | Comment | | | | |
| Shower | The shower has been modified. | | | | |

Required Lender Actions

Unit Interior Exhibits

Any Apparent
Defects,
Damages,
Deficiencies
noted?

Are all
required
photos
provided?

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Unit Interior (continued)

Apparent Defects, Damages, Deficiencies (Unit Interior)
The items listed below represent the As Is condition as of the effective date of this report

| Feature | Location | Description | Affects Soundness or Structural Integrity | Recommended Action |
|----------|-------------|---|---|--------------------|
| Flooring | Dining Room | Carpet is stained in one corner of the Dining Room. | No | None |

Unit Interior Commentary
Basement has a custom finished wet bar including wood cabinets and countertops. Media room has custom cabinetry for speakers and media devices.

Unit Interior Exhibits

| | |
|--|---|
| Level B1 - Bath - Half Photo required | Level B1 - Media Room Photo optional |
| Level B1 - Recreation Room Photo optional | Level B1 - Wet Bar Photo optional |
| Level 1 - Bath - Full - Bath 3 Photo required | Level 1 - Family Room Photo optional |

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Unit Interior (continued)

| | |
|--|---|
| Level 1 - Kitchen Photo required | Level 2 - Bath - Full - Bath 1 Photo required |
| This is where the Kitchen photo would display. | This is where the Full Bath photo would display. |
| Level 2 - Bath - Full - Bath 2 Photo required | Apparent Defects, Damages, Deficiencies - Flooring - Damaged Flooring Photo required |
| Photo required | Photo required |

Required Lender Actions

Check for any Functional
Obsolescence

Functional Obsolescence

Functional Issues None

Photo and commentary required if present

Functional Obsolescence

| Functional Issues (Choose all that apply) | |
|---|---|
| Allowable Answer | Definition / Additional Guidance |
| None | Select None if there were no functional issues observed by the appraiser. |
| Ceiling Height | The ceiling heights do not meet the typical market standards, and / or impact the livability of the dwelling. |
| Floor Plan | The floor plan does not meet the typical market standards, and / or impacts the livability of the dwelling. |
| Nonconformity | The improvements significantly differ from other properties in the surrounding area (e.g., age, style, size, use). |
| Overimprovement | A component or characteristic that is not fully valued by the market due to exceeding typical expectations in comparison to other properties, so as to create diminishing return on improvements. |
| Underimprovement | A component or characteristic that does not rise to the level of typical expectations as compared to other properties, so as to create diminishing return on improvements. |
| Other (Describe) | Select Other to enter an answer that is not in the above list. |

Appendix F-1: URAR Reference Guide

Required Lender Actions

Any Apparent Defects, Damages or Deficiencies noted?

Review for consistency to sketch & photos

Vehicle Storage

- Apparent Defects, Damages, Deficiencies
- Vehicle Storage Exhibits

Appendix F-1: URAR Reference Guide

| Vehicle Storage | | |
|---|--------------------------|-------------------------|
| Storage | Number of Parking Spaces | Detail |
| Driveway | 2 | Asphalt |
| Garage | 2 | Built-in 460 Sq. Ft. |
| Apparent Defects, Damages, Deficiencies (Vehicle Storage) | | |
| None | | |
| Vehicle Storage Exhibits | | |
| <div>Driveway - Garage</div> <div>Photo optional</div> | | |
| <small>Appraisal Version #4 Fannie Mae Freddie Mac September 2024</small> <small>Appraiser Reference ID AA12345 Client Reference ID 1234567 AMC Reference ID 543234</small> | | |

| Vehicle Storage Type | |
|----------------------|--|
| Allowable Answer | Definition / Additional Guidance |
| None | Select this answer if the property does not have any available vehicle storage. Note: If this answer is selected, "None" displays (13.000), and the Vehicle Storage table (13.001-13.003) does not display. |
| Carport | A covered structure that offers limited vehicular protection with two or fewer walls. It may be free standing or attached to a structure and is available for use only by the subject property (e.g., single-family or 2- to 4-unit property). |
| Common Carport | A covered structure that offers limited vehicular protection with two or fewer walls. It may be free standing or attached to a structure and is shared and available within the condominium, cooperative, condop, or PUD. |
| Driveway | An improved surface providing vehicular access. Note: Do not select this answer for shared driveways. |
| Garage | An enclosed structure designed for storing vehicles. |
| Open Lot | An open and improved surface area that is specifically designed for vehicle storage for use within the condominium, cooperative, condop, or PUD. |
| Parking Garage | An enclosed area for storing vehicles that is intended to support multiple units for use within the condominium, cooperative, condop, or PUD. |
| Shared Driveway | An improved surface providing vehicular access, jointly owned by the owners of the properties to which it gives access. |
| Other (Describe) | Select Other to enter an answer that is not in the above list. Examples: <ul style="list-style-type: none"> Permitted street parking from the municipality, but not specific to unit. Enclosed golf cart or motorcycle parking. |

Required Lender Actions

Subject Property Amenities

Any defects, damages or deficiencies noted?

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Subject Property Amenities

| Amenity Category | Subject Property Amenity | Material | Detail |
|---------------------|--------------------------|----------|------------------|
| Outdoor Accessories | Fence | | |
| Outdoor Living | Deck | Wood | 400 Sq. Ft. |
| | Porch | Concrete | 351 Sq. Ft. |
| Whole Home | Indoor Fireplace | | Total Number - 1 |
| Miscellaneous | Media Room | | |
| | Wet Bar | | |

Apparent Defects, Damages, Deficiencies (Subject Property Amenities)

None

Subject Property Amenities Exhibits

Media Room



Photo optional

Are photos provided for any Subject Property Amenities?

Required Lender Actions

Overall Quality and Condition

- Q1 – Q6
- C1 – C6*

*Reflects the condition as if any required repairs, inspections or completions have been satisfactorily completed

Confirm Condition Rating is acceptable to investor

| Overall Quality and Condition | | | |
|--|----|--------------------|----|
| Overall Quality | Q4 | Overall Condition | C4 |
| Exterior Quality | Q4 | Exterior Condition | C4 |
| Interior Quality | Q4 | Interior Condition | C4 |
| Reconciliation of Overall Quality and Condition | | | |
| The Overall Quality and Condition matches the Interior Quality and Condition, as well as the Exterior Quality and Condition, since the exterior and interior are both of the same age. | | | |

Required Lender Actions

Highest and Best Use

- Legally Permissible
- Physically Possible
- Financially Feasible
- Maximally Productive

Confirm Highest and Best Use questions have been answered with “Yes”

| Highest and Best Use | | | |
|--|------------|-----------------------------|------------|
| <i>Is the present use of the subject property ...</i> | | | |
| <u>Legally Permissible</u> | <u>Yes</u> | <u>Financially Feasible</u> | <u>Yes</u> |
| <u>Physically Possible</u> | <u>Yes</u> | <u>Maximally Productive</u> | <u>Yes</u> |
| <i>Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use?</i> | | | |
| <div>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></div> | | | |
| Highest and Best Use Commentary | | | |
| The highest and best use analysis as improved is physically possible and legally permissible based on its current zoning. Analysis of the market shown below demonstrates that the existing structure as a single family residence is its financially feasible and maximally productive use. | | | |

Required Lender Actions

Market

- Market Area Boundary
- Search Criteria Description

Are all
boundaries
noted?

Market

Market Area Boundary North: E. Grant Highway, South: E. Temple Ave., East: Chicken Rd., West: 10 Main Ave.

Search Criteria Description Search Criteria limited by Detached units with a lot size of up to .6 acres and a Finished Area Above Grade between 2700 and 3300 sq. ft. Additional factors include between 2-4 full bathrooms, 3-5 bedrooms, a basement and a 2 car garage. Searched between closing dates of 9/30/2017 and 9/30/2019.

Required Lender Actions

Market

- Search Result Metrics
 - Active Listings
 - Pending Sales
 - Sales in Past 24 Months
 - Distressed Market Competition
 - Graph
 - Price Trend Source
- Housing Trends
 - Demand/Supply
 - Marketing Time
- Market Commentary

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Market (continued)

| Search Result Metrics | |
|-----------------------|-----------|
| Active Listings | 2 |
| Median Days on Market | 11 |
| Lowest List Price | \$435,000 |
| Median List Price | \$440,000 |
| Highest List Price | \$445,000 |
| Pending Sales | 1 |

| | |
|-------------------------------|-----------------------|
| Sales in Past 24 Months | 35 |
| Lowest Sale Price | \$400,000 |
| Median Sale Price | \$499,000 |
| Highest Sale Price | \$597,000 |
| Distressed Market Competition | No |
| Graph | Absorption Rate |
| | Median Days on Market |
| | Price Trends |
| | Year Built of Sales |
| Price Trend Source | MLS |

| Housing Trends | |
|----------------|----------------|
| Demand/Supply | Shortage |
| Marketing Time | Under 3 months |

| Market Commentary | |
|---|--|
| Despite lack of supply, homes are not going up in value due to seasonality. This is typical for 3rd quarter, evidenced by the fact that there are only 2 active listings, which have less finished area than the subject and not indicative of prices decreasing. | |

Is subject sale price within range?

Is there a distressed market influence?

Note graphs provided

Is the housing trend concerning?

Required Lender Actions

Absorption Rate – how quickly homes are selling

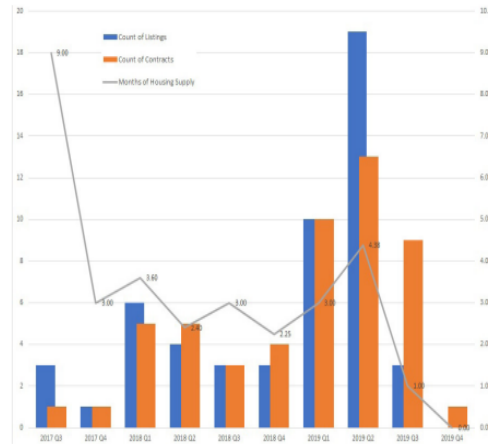
Median Days on Market (DOM)

Price Trends –
Rising = high demand;
Flat or declining =
cooling market

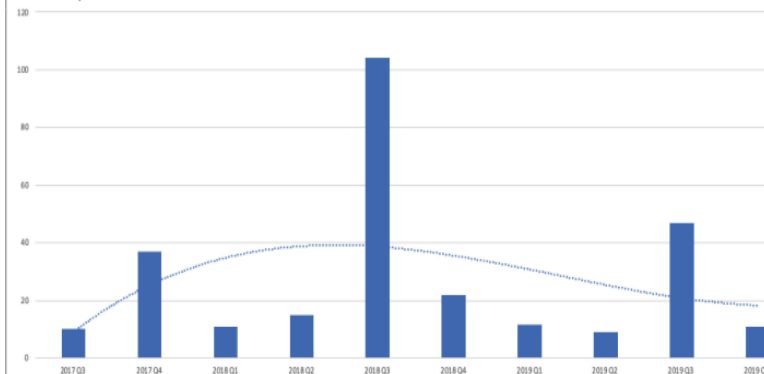
Year Built of Sales –
Insight into home age
and buyer preference

Market Exhibits

Absorption Rate



Median Days on Market

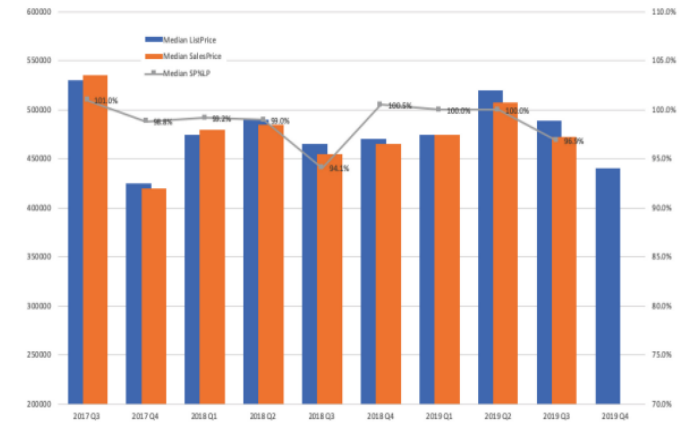


Uniform Residential Appraisal Report

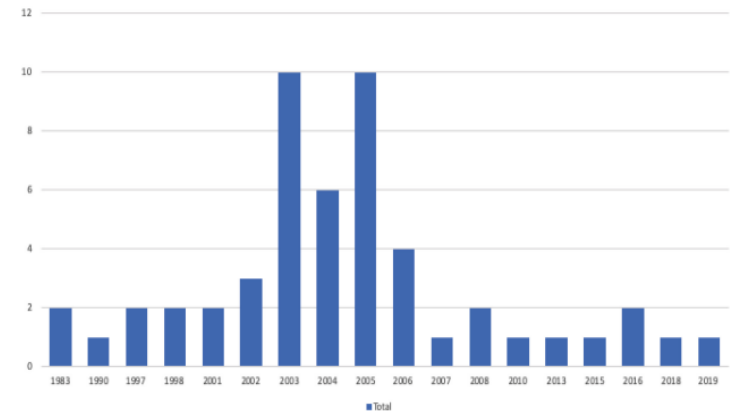
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Market (continued)

Price Trends



Year Built of Sales



Required Lender Actions

Project Information

- Mandatory Fees
- Project Factors

Confirm HOA fee is included in payment

Confirm control has been turned over to HOA

Confirm there are no Known Legal Actions

Confirm there are no Unit Special Assessments

Project Information

Planned Unit Development (PUD) ☒ Condominium ☐ Cooperative ☐ Condop ☐

Project Information Data Source Real Estate Agent

Mandatory Fees (HOA, PUD, or Co-op)

Monthly Amount \$34

Common Amenities/

Services Included Trash Removal

Utilities Included None

Project Factors and Impact to Value/Marketability

| Project Factor | Detail | Impact | Comment |
|-----------------------------------|--------|--------|---------|
| Developer/Sponsor in Control | No | | |
| Known Legal Actions | None | | |
| Unit Special Assessments | None | | |
| Unit Tax Abatements or Exemptions | None | | |

Required Lender Actions

Subject Listing Information

- Sales Contract
 - Financial Concessions
 - Sales Contract Analysis

Check for non-arm's length transactions

Check for conveyance of personal items

Assess compliance to IPC limitations

Note DOM. Is this reflective of an active market?

Uniform Residential Appraisal Report

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Subject Listing Information

Current and/or relevant listings of the subject property (maximum 1 year look back)

| Listing Status | Listing Type | Listing ID | Start Date | End Date | DOM | Starting List Price | Current or Final List Price |
|----------------|--------------|------------|------------|------------|-----------|---------------------|-----------------------------|
| Pending | MLS | FQ999999 | 09/05/2019 | 09/17/2019 | 12 | \$489,000 | \$489,000 |
| | | | | | Total DOM | 12 | |

Analysis of Subject Property Listing History The only listing of the subject property in the past year has been for \$489,000 for 12 days prior to contract. The contract provided to the appraiser contains no atypical terms or conditions, see Sales Contract section for further analysis.

Sales Contract

| | Yes | No | Contract Price | \$489,000 |
|---|-------------------------------------|--------------------------|----------------------------|---------------------|
| Is there a sales contract? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract Date | 09/17/2019 |
| Was sales contract information analyzed? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Transfer Terms | Typically Motivated |
| Does this appear to be an arm's length transaction? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Personal Property Conveyed | Yes |

Personal property is not included in the appraiser's final opinion of value

Financial Sales Concessions

Financial assistance paid by or on behalf of the seller as inducement to purchase the subject property

| | |
|-------------------------|---------|
| Known Sales Concessions | Yes |
| Total Sales Concessions | \$5,000 |
| Typical for Market | Yes |

Sales Contract Analysis

\$5,000 concession towards repair of the carpet. Window treatments, washer and dryer, and media room projector conveyed per sales contract.

Required Lender Actions

Prior Sale and Transfer History

- Subject Transfer History
- Comparable Transfer History

Does the Prior Sale and Transfer History show any disturbing trends in the last 3 years?

| Prior Sale and Transfer History | | | | |
|---|---------------------|------------|-----------|-------------|
| Subject Transfer History | | | | |
| <i>Prior sales and/or transfers of the subject property (minimum 3 year look back)</i> | | | | |
| Prior Sales or Transfers | | None | | |
| Data Source | | MLS | | |
| Analysis of Prior Sale and Transfer History of Subject Property Only prior sale of the subject was when it was a new construction in 2004. | | | | |
| Comparable Transfer History | | | | |
| <i>Prior sales and/or transfers of the comparable properties from the 'Sales Comparison Approach' section (minimum 1 year look back)</i> | | | | |
| # | Transfer Terms | Date | Amount | Data Source |
| 1 | Typically Motivated | 09/01/2018 | \$430,000 | MLS |
| 2 | None | | | MLS |
| 3 | None | | | MLS |
| Analysis of Prior Sale and Transfer History of Comparable Sales Prior sale of comp 1 was a typically motivated arms-length transaction. | | | | |

Identifying comparable sales

Selection

- Similar physical and legal characteristics
- Competitive appeal
- Same neighborhood

Minimum number

- 3 closed sales required

Age

- <12 months
- Newest is not always best

Additional requirements for new subdivision/PUD





- 1 inside and 1 outside

Required Lender Actions

Sales Comparison Approach Grid

- General Information

| |
|--|
| Are at least 3 closed sales provided? |
| Are photos in color and clear? |
| Are 2 data sources provided? |
| Are comps within a reasonable distance? |
| Are differences in sales concessions adjusted? |
| Are contract dates within 12 months? |
| Are comps of a similar design? |
| Do the comps have similar property rights? |

| Sales Comparison Approach | | | | | | | |
|---------------------------|---|---|-----|---|-----|---|-----|
| Subject Property | | Comparable #1 | | Comparable #2 | | Comparable #3 | |
| General Information | | | | | | | |
| Property Address | 123 Falling Tree Ct Treeville, VA 12345 | 241 Rapid Creek Ln Treeville, VA 12345 | | 188 Fallen Oak Ct Treeville, VA 12345 | | 210 Cannon Ball Rd Treeville, VA 12345 | |
| |  <i>This is where the Subject Property photo would display.</i> |  <i>This is where the Comparable 1 photo would display.</i> | |  <i>This is where the Comparable 2 photo would display.</i> | |  <i>This is where the Comparable 3 photo would display.</i> | |
| Data Source | | Assessor Record Exterior Inspection MLS 123456 | | Assessor Record Exterior Inspection MLS 33A245 | | Assessor Record Exterior Inspection MLS 678A12 | |
| Proximity to Subject | | 0.17 Miles N | | 0.06 Miles N | | 0.4 Miles NE | |
| List Price | \$489,000 | \$460,000 | | \$449,900 | | \$525,000 | |
| Listing Status | Pending | Settled Sale | | Settled Sale | | Settled Sale | |
| Contract Price | \$489,000 | — | | — | | — | |
| Sale Price | | \$460,000 | | \$450,000 | | \$520,000 | |
| Sales Concessions | \$5,000 | \$8,500 | \$0 | \$11,000 | \$0 | \$10,400 | \$0 |
| Contract Date | 09/17/2019 | 07/22/2019 | \$0 | 08/05/2019 | \$0 | 07/02/2019 | \$0 |
| Sale Date | | 08/17/2019 | \$0 | 09/10/2019 | \$0 | 08/31/2019 | \$0 |
| Days on Market | 12 | 12 | | 6 | | 14 | |
| Attached/Detached | Detached | Detached | | Detached | | Detached | |
| Property Rights Appraised | Fee Simple | Fee Simple | | Fee Simple | | Fee Simple | |

Required Lender Actions

Sales Comparison Approach Grid

- Site
- Dwelling(s)
- Energy Efficient and Green Features
- Unit(s)

Are comp sites similar in size/topography?

Are comps in the same neighborhood?
If PUD, is at least 1 comp inside & 1 outside?

Are comps similar in site influences & view?

Are comps of similar age & design?

Are utilities typical of market?

If subject has solar panels,
has value been given & supported?

Are subject's bedroom/bath count
bracketed by comps?

Are adjustments in proper direction (+/-)?
Any large across-the-board adjustments?
Any missing adjustments?
Are adjustments supported?

| Sales Comparison Approach | | | | | | | |
|--|-------------------------------|-------------------------------|---------------|-------------------------------|----------|-------------------------------|-----------|
| | Subject Property | Comparable #1 | Comparable #2 | Comparable #3 | | | |
| Site | | | | | | | |
| Site Size | 14,950 Sq. Ft. | 17,886 Sq. Ft. | \$0 | 13,038 Sq. Ft. | \$0 | 16,039 Sq. Ft. | \$0 |
| Neighborhood Name | Sunnyside | Sunnyside | | Sunnyside | | Hilldale | \$0 |
| Topography | Rolling | Rolling | | Rolling | | Flat | \$(2,000) |
| Site Influence (Location) | Residential | Residential | | Busy Roadway | \$5,000 | Residential | |
| View Range | Residential Full | Residential Full | | Residential Full | | Residential Full | |
| Dwelling(s) | | | | | | | |
| Year Built | 2004 | 2004 | | 2004 | | 2001 | \$0 |
| Dwelling Style | Colonial | Colonial | | Colonial | | Colonial | |
| Heating | Forced Warm Air Natural Gas | Forced Warm Air Natural Gas | | Forced Warm Air Natural Gas | | Forced Warm Air Natural Gas | |
| Cooling | Centralized | Centralized | | Centralized | | Centralized | |
| Energy Efficient and Green Features | | | | | | | |
| Efficiency Rating | HERS 62 | None | \$0 | HERS 61 | \$0 | None | \$0 |
| Unit(s) | | | | | | | |
| Bedrooms | 5 | 4 | \$10,000 | 4 | \$10,000 | 4 | \$10,000 |
| Baths - Full Half | 3 1 | 2 1 | \$10,000 | 2 2 | \$5,000 | 3 1 | |
| Finished Area Above Grade | 3,002 Sq. Ft. | 3,260 Sq. Ft. | \$(10,300) | 2,804 Sq. Ft. | \$7,900 | 2,816 Sq. Ft. | \$7,400 |
| Finished Area Below Grade | 1,300 Sq. Ft. | 0 Sq. Ft. | \$26,000 | 1,200 Sq. Ft. | \$2,000 | 1,328 Sq. Ft. | \$0 |
| Unfinished Area Below Grade | 230 Sq. Ft. | 1,624 Sq. Ft. | \$(13,940) | 66 Sq. Ft. | \$1,640 | 148 Sq. Ft. | \$0 |
| Below Grade Exterior Access | Walk Out | Walk Up | \$2,000 | Walk Up | \$2,000 | Walk Out | |

Required Lender Actions

Sales Comparison Approach

- Exterior Quality and Condition
 - Quality Rating
 - Exterior Walls and Trim
 - Roof
 - Condition Rating
- Interior Quality and Condition
 - Quality Rating
 - Condition Rating
 - Kitchen
 - Overall flooring
- Overall Quality and Condition

Sales Comparison Approach

| Subject Property | | Comparable #1 | | Comparable #2 | | Comparable #3 | |
|--|-------------|-------------------|-------------|---------------|-------------|---------------|-------------|
| Quality and Condition (Ratings: 1-6, 1 is highest) | | | | | | | |
| Exterior Quality and Condition | | | | | | | |
| Quality | Q4 | Q4 | Q4 | Q4 | Q4 | Q4 | Q4 |
| Exterior Walls and Trim | Vinyl | Vinyl | Vinyl | Vinyl | Vinyl | Vinyl | Vinyl |
| Roof | Composition | Composition | Composition | Composition | Composition | Composition | Composition |
| Condition | C4 | C4 | C4 | C4 | C4 | C4 | C4 |
| Interior Quality and Condition | | | | | | | |
| Quality | Q4 | Q4 | Q4 | Q4 | Q4 | Q4 | Q4 |
| Condition | C4 | C4 | C4 | C4 | C4 | C4 | C4 |
| Kitchen | Not Updated | Partially Updated | Not Updated | Not Updated | Not Updated | Not Updated | Not Updated |
| Overall Flooring | Not Updated | Not Updated | Not Updated | Not Updated | Not Updated | Not Updated | Not Updated |

Sales Comparison Approach (continued)

Confirm Quality and Condition Ratings are consistent & comps have similar ratings

| Subject Property | | Comparable #1 | | Comparable #2 | | Comparable #3 | |
|--|--|---|--|---|--------------|---------------|--------------|
| Property Address | 123 Falling Tree Ct Treeville, VA 12345 | 241 Rapid Creek Ln Treeville, VA 12345 | 188 Fallen Oak Ct Treeville, VA 12345 | 210 Cannon Ball Rd Treeville, VA 12345 | | | |
| Overall Quality and Condition (Ratings: 1-6, 1 is highest) | | | | | | | |
| Quality | Q4 | Q4 | Q4 | Q4 | Q4 | Q4 | Q4 |
| Condition | C4 | C4 (\$5,000) | C4 (\$1,000) | C4 (\$1,000) | C4 (\$1,000) | C4 (\$1,000) | C4 (\$1,000) |

Required Lender Actions

Property Amenities

- Outdoor Living
- Water Features
- Miscellaneous

If amenities have been given value, are they supported? Is there a corresponding description & photos?

Sales Comparison Approach

| | Subject Property | Comparable #1 | Comparable #2 | Comparable #3 |
|---------------------------|----------------------|-------------------------|--------------------------|-----------------------------|
| Property Amenities | | | | |
| Outdoor Living | Deck Porch | Deck Patio \$6,000 | Patio Porch \$2,000 | Deck Patio \$6,000 |
| Water Features | — | — | — | Inground Pool \$(12,000) |
| Miscellaneous | Media Room Wet Bar | — \$6,000 | — \$6,000 | — \$6,000 |

Required Lender Actions

Vehicle Storage

Confirm consistency with photos, floor plan or sketch?
If no vehicle storage is present, is that typical of the market?

| Sales Comparison Approach | | | | | | |
|---------------------------|---|---|--|---|--|---|
| Subject Property | | Comparable #1 | | Comparable #2 | | Comparable #3 |
| Vehicle Storage | | | | | | |
| Type Spaces Detail | Driveway 2 Asphalt Garage 2 Built-in 460 Sq. Ft. | Driveway 2 Asphalt Garage 2 Built-in | | Driveway 2 Asphalt Garage 2 Built-in | | Driveway 2 Asphalt Garage 2 Built-in |

Required Lender Actions

Summary

- List Price
- Contract Price
- Sale Price
- Net Adjustment Total
- Price Per Finished Area Above Grade
- Adjusted Price
- Comparable Weight
- Indicated Value
- Reconciliation

Does the commentary explain why certain comps or approaches were given a different weight?

Appendix F-1: URAR Reference Guide

Sales Comparison Approach

| | Subject Property | Comparable #1 | Comparable #2 | Comparable #3 |
|---|------------------|---------------|---------------|---------------|
| Summary | | | | |
| List Price | \$489,000 | \$460,000 | \$449,900 | \$525,000 |
| Contract Price | \$489,000 | — | — | — |
| Sale Price | | \$460,000 | \$450,000 | \$520,000 |
| Net Adjustment Total | | \$30,760 | \$40,540 | \$14,400 |
| Price Per Finished Area Above Grade | | \$141 | \$160 | \$185 |
| Adjusted Price | | \$490,760 | \$490,540 | \$534,400 |
| Comparable Weight | | Most | Most | Less |
| Indicated Value by Sales Comparison Approach | | | | |
| Indicated Value | \$491,000 | | | |

Reconciliation of Sales Comparison Approach

Comps 1 and 2 were from the same neighborhood as the Subject. Comp 3 not given as much weight because of different subdivision. Condition Rating adjustments were made to all comps due to the subject's flooring having stained carpets and no updates. Comp 1 also had a partially updated kitchen which was accounted for in the Condition Rating adjustment. Sales with property characteristics of 5 bedrooms, media room and wet bar were in the competitive market area, exhibited in #4 and 5 of the Additional Properties Analyzed Not Used, but were not as comparable since they were larger, farther away, and superior quality.

Comparable Weight – Choose one answer for each Comparable

| Allowable Answer | Definition / Additional Guidance |
|------------------|--|
| Most | The contribution of the comparable was given more or most emphasis compared to other comparables. |
| Less | The contribution of the comparable was given less emphasis than comparables weighted as Most. |
| No Weight | <p>The comparable was included but given no weight. Example: The property is similar to the subject but was given no weight due to extenuating circumstances, such as a model match that was not a typical market transaction.</p> <p>Note: Do not select this answer if a property was considered (but not included in the sales grid) to demonstrate a special or specific feature, but overall the property was not considered significant enough to affect value. These should be included in the Additional Properties Analyzed Not Used subsection.</p> |

Additional Properties Analyzed Not Used

If the appraiser has included this section (optional): Does it address your questions regarding comparables not used?

Additional Properties Analyzed Not Used

| # | Property Address | Sale Date | Status | Reason Not Used | Comment |
|---|--|------------|--------------|----------------------------|---|
| 1 | 101 Somewhere Ln Treeville, VA 12345 | — | Active | Proximity Quality | Inferior quality and non-similar location |
| 2 | 955 Black Swan Rd Treeville, VA 12345 | — | Pending | Proximity Quality | Superior quality and located further from subject |
| 3 | 325 Summit Ct Treeville, VA 12345 | 08/21/2019 | Settled Sale | Proximity | Located further from subject |
| 4 | 7464 Blank Ln Treeville, VA 12345 | 06/02/2019 | Settled Sale | Finished Area Proximity | Had 5 bedrooms, but because it was larger and farther away, it was not used. |
| 5 | 8718 Mover Ln Treeville, VA 12345 | 07/13/2019 | Settled Sale | Finished Area Quality | Property has a media room and wet bar, but is larger and of superior quality. |

Required Lender Actions

Sales Comparison Map

Is the subject property clearly identified?

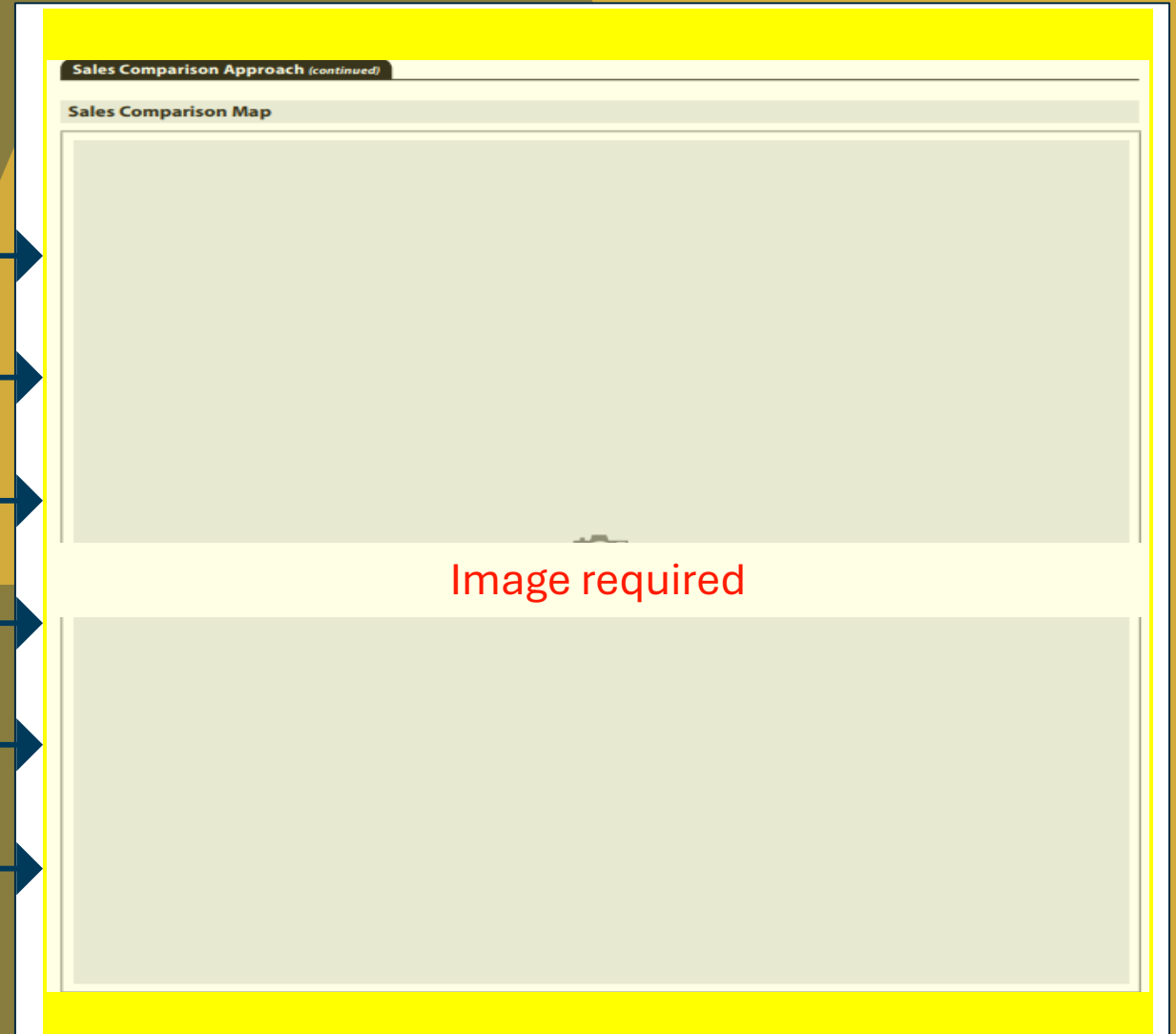
Are the comps clearly identified & labeled?

Are the comps within reasonable proximity?

Is there any noise or traffic impact?

Is there any visual influences impact?

Are there any other external influences?






Required Lender Actions

Exhibits

Has the appraiser provided the required photos as well as any additional photos/exhibits required to support value?



| Sales Comparison Approach (continued) | |
|---|---|
| Sales Comparison Approach Exhibits | |
| <div>Comparable #1</div> <div></div> <div>Photo required</div> | <div>Comparable #2</div> <div></div> <div>Photo required</div> |
| <div>Comparable #3</div> <div></div> <div>Photo required</div> | |

Reconciliation

- Approaches to Value
- Appraisal Summary
- Reconciliation of Market Value
- Apparent Defects, Damages, Deficiencies
- As Is Overall Condition Rating

Required Lender Actions

Is the appraiser's final opinion of value logical, well-supported & consistent with the approach to value/market data presented?

| Reconciliation | | | |
|---|----------------------------------|------------------------------------|------------------------------------|
| Approaches to Value | | | |
| | Sales Comparison Approach | Income Approach | Cost Approach |
| Indicated Value | \$491,000 | | |
| Reason for Exclusion | | Not Necessary for Credible Results | Not Necessary for Credible Results |
| Appraisal Summary | | | |
| Contract Price | \$489,000 | Reasonable Exposure Time | 0-90 days |
| Opinion of Market Value | \$491,000 | Effective Date of Appraisal | 09/20/2019 |
| Market Value Condition | Subject to Repair | | |
| Final Value Condition Statement This appraisal is made subject to the itemized list of repairs or alterations below on the basis of a hypothetical condition that the repairs or alterations have been completed in a professional manner. This might have affected the assignment results. | | | |
| Reconciliation of Market Value | | | |
| The Sales Comparison Approach is the only approach given weight in this report. The As Is Overall Condition Rating is C5 due to the damaged roof with missing flashing; although there are no apparent active leaks this leaves the roof permeable to water intrusion. This appraisal is made subject to repairing the roof and the appraised Overall Condition rating of C4 is made on the basis of a hypothetical condition that the repair has been completed. | | | |

Review all listed defects, damages & deficiencies for any lender required action and/or overlays

| Uniform Residential Appraisal Report | | | | | | Page 18 of 21 |
|--|-----------------|---|---|--------------------|--------------------------|---------------|
| Reconciliation (continued) | | | | | | |
| Apparent Defects, Damages, Deficiencies | | | | | | |
| The items listed below represent the As Is condition as of the effective date of this report | | | | | | |
| Feature | Location | Description | Affects Soundness or Structural Integrity | Recommended Action | Estimated Cost to Repair | |
| Dwelling Exterior | | | | | | |
| Roof | Section of Roof | Damaged roof with missing flashing leaving the roof permeable to water intrusion. | Yes | Repair | \$1,500 | |
| Unit Interior | | | | | | |
| Flooring | Dining Room | Carpet is stained in one corner of the Dining Room. | No | None | | |
| Total Cost | | | | | \$1,500 | |
| As Is Overall Condition Rating C5 | | | | | | |
| Existing condition of the property as of the effective date of this appraisal, excluding all required repairs, alterations, or inspections | | | | | | |

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Scope of Work

The scope of work for this assignment is based on the applicable assignment elements, including: the client and any other intended users, the intended use, the definition of market value that follows, the effective date, the subject property and its relevant characteristics, and the applicable assignment conditions. The appraiser must, at a minimum: (1) obtain and review adequate and reliable information for the subject property; (2) research, verify, and analyze adequate and reliable data for the subject market area including data for each comparable property reported; and (3) report his or her analyses, opinions, and conclusions in this appraisal report.

Intended Use

Intended User

Definition of Market Value

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

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

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Appraiser Certifications

15. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been

21. I personally prepared conclusions and opinions about the real estate that were set forth in this appraisal report. Andrew Appraiser provided significant real property appraisal assistance in the development of this report. I certify that any individual so named is qualified to perform the assistance.

Page 21 of 21

29. I have not performed any service regarding the subject property within the three years preceding the agreement to perform this assignment.

| | |
|------------------------------|-----------------------|
| Appraiser | Level |
| <i>Agatha Appraiser</i> | Certified Residential |
| 09/20/2019 | ID |
| | XYZ12345 |
| Agatha Appraiser | State |
| Date of Signature and Report | VA |
| | Expires |
| | 10/10/2020 |

Has the appraiser signed the report?

mortgage guaranty
insurance company

Other Approaches to Value

Income Approach to Value

- Value is related to the market rent or income that a property can be expected to earn
- Required in the valuation of 2- to 4-unit properties

Cost Approach to Value

- Only required for the valuation of manufactured homes
- Sometimes indicated for proposed or newly constructed properties
- Measures value as a cost of production

Appraisal Use Requirements

Age of Appraisal

- Must be no more than 12 months from the note date
- >4 months but less than <12 month requires an appraisal update
- If appraisal update indicates value has declined, a new report is required

Multiple Appraisals of the Subject Property

- Select the most reliable appraisal rather than the appraisal that states the highest value
- Document reasons for relying on the appraisal
- Submit the appraisal selected by the lender through the UCDP

Use of an Appraisal for a Subsequent Transaction

- Transaction can only be a limited cash-out refinance
- Report date within 12 months of note date
- Lender must ensure property value, condition or marketability has not been impacted
- Borrower and lender must be the same

Lender Must Address Appraisal Deficiencies

STEP ONE:

Contact Original Appraiser

- Identify the deficiencies
- Correction request must be based on material and substantive evidence
- Document loan file with resolution of noted deficiencies

STEP TWO:

Unresolved Concerns

- Obtain a new appraisal report from an alternate appraiser, or
- Obtain a desk/field review or the original appraisal report

Representations and Warranties

Lender represents and warrants that:

- All information known to the lender that may affect the estimate of market value or marketability has been provided to the appraiser
- Lender has reviewed the appraisal and determined the mortgaged premises is adequate collateral for the mortgage transaction
- The appraisal report is of professional quality and supports the appraiser's assumptions, data, analyses, rationale and conclusions regarding the opinion of value and marketability
- The appraisal report is credible, consistent, clearly written, fully supported and includes sufficient documentation

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