

Condominium Checklist

This checklist is designed to help you review the Individual Condominium Unit Appraisal Report. Checklist answers printed in blue boldface designate cautionary items that may require additional comment by an appraiser and further review.

Subject Section

1. Do the property address and seller/borrowers' names match the loan file? Yes No
2. Is the buyer or seller an LLC or Corporation? Yes No
3. Are there any Special Assessments? Yes No
4. How are the property rights appraised? Fee Simple Leasehold Other
5. Has the subject property been offered for sale in the past 12 months? Yes No

Contract Section

6. Did appraiser analyze the contract (if applicable)? Yes No
7. Is the contract an arms length sale? Yes No
8. Is the property seller the owner of public record? Yes No
9. Is there any financial assistance being paid by any party on behalf of the borrower? Yes No

Neighborhood Section

10. Is the location rural or less than 25% built up? Yes No
11. Are property values declining? Yes No
12. Does demand/supply reflect an oversupply? Yes No
13. Is the marketing time more than six months? Yes No
14. Is the sales price within the neighborhood price range? Yes No
15. Are there any negative comments in the Neighborhood section? Yes No
16. Does the subject property conform to the present land use? Yes No

Project Site Section

17. Is the zoning rated legal nonconforming or illegal? Yes No
18. Is the present use the highest and best use? Yes No
19. Are the Utilities and/or Off-Site Improvements public? Yes No
20. Is the property in a Special Flood Hazard area? Yes No
21. Are there any adverse comments, (e.g., environmental conditions, land uses, easements, view, etc.) in the Project Site section? Yes No

Project Information Section

22. Is the project proposed or under construction? Yes No
23. Is the project subject to phasing or add-ons? Yes No
24. Is the developer/builder in control of the HOA? Yes No
25. Does any single entity own more than 10% of the total units in the project? Yes No
26. Is the project a conversion of an existing building(s) into a condo? Yes No
27. Are units, common elements and recreation facilities complete? Yes No
28. Is there any commercial space in the project? Yes No
29. Are there any common elements leased to/by the HOA? Yes No

Project Analysis Section

30. Did appraiser analyze the condominium project budget for current year? Yes No
31. Are there any other fees (other than HOA) for use of the project facilities? Yes No
32. Is the subject unit charge High or Low? Yes No
33. Are there any special or unusual project characteristics which might affect marketability? Yes No

Unit Description Section

34. Is the heating/cooling for individual units separately metered? Yes No
35. Are any needed repairs or deterioration noted? Yes No
36. Does the Condition Rating of C1 – C6 meet guidelines or investor criteria? Yes No
37. Are there physical deficiencies that affect livability, soundness or structural integrity of subject property? Yes No
38. Does the property generally conform to the neighborhood? Yes No

Prior Sales History Section

39. Has the appraiser completed a 3-year sales history for the subject property and one-year history for the comparables? Yes No

Sales Comparison Approach

40. Are the comparable sales located within an acceptable distance from the subject? Yes No
41. Is the sales price/gross living area for the subject property consistent with the comparable sales? Yes No
42. Did the appraiser use only data or verification sources that are non-public or non-MLS such as builder or developer? Yes No
43. Are there 3 comparable sales that have closed within the last 6 months or appropriate time frame for current market conditions? Yes No
44. Did the appraiser select a rating and factor for both Location and View? Yes No
45. Are the comparables similar to subject in Location, HOA Mo. Assessment, Common Elements & Rec. Facilities? Yes No
46. Are the comparables similar to subject in Floor Location, View and Design? Yes No
47. Are the comparables similar to subject in Age, Room Count and Gross Living Area? Yes No
48. Does the Quality Rating of Q1 – Q6 and Condition Rating C1 – C6 meet guidelines or investor criteria? Yes No
49. If the subject property is in an established condominium project, are any comparable sales from outside the project? Yes No
50. If the subject property is in a new, or recently converted, condominium project, is 1 comparable sale from outside the subject project? Yes No
51. If the subject property is in a new, or recently converted, condominium project, is 1 comparable sale from inside the project? Yes No
52. If the subject has unusual features, did the appraiser provide additional comparable sales with similar characteristics? Yes No
53. Did the appraiser explain and support with market data any superior comparable sales? Yes No
54. Did the appraiser provide comments to support the market value conclusions provided in the report? Yes No
55. Did the appraiser provide an appropriate explanation of any findings that show a significant or unusual variance between the subject property and comparables, (e.g., design, subjects's sales price much lower than comparables)? Yes No

Reconciliation Section

56. Is the appraisal made "as is"? Yes No
57. Is the appraisal less than 4 months old? Yes No
58. Does the appraised value support the sales price? Yes No
59. Are there any negative comments? Yes No

Appraiser's Certification

60. Is the appraisal signed and dated and is the Appraiser Certification or License Number and expiration date entered? Yes No

Exhibits

61. Does the appraisal contain clear photos of the front, back, and street of subject property and the front of each comparable sale? Yes No
62. Do the photos of the subject and comparables reflect similar design and appeal? Yes No
63. Did the appraiser provide photographs of the subject property's kitchen, bathroom(s) and main living area? Yes No
64. Are the photographs clear? Yes No
65. Do the photographs show items described such as railroad tracks, powerlines, etc.? Yes No
66. Do the photographs of the subject property reflect weather consistent with date of appraisal? Yes No
67. Is there a street map that identifies the locations of the subject and comparable sales? Yes No
68. Does the interior sketch of the property match room counts in the body of appraisal? Yes No
69. Do any of the exhibits include adverse comments? Yes No

The MGIC Condominium Appraisal Report Checklist is designed to assist you in analyzing condominium appraisals. The Checklist is not intended, nor should it be relied upon, as all-inclusive. Refer to Investor or Agency Guidelines for specific condominium appraisal requirements. Use of the Checklist does not guarantee the accuracy of any appraisal, that an appraisal will satisfy applicable requirements or that any loan will be approved for purchase, mortgage insurance or other purposes. The Checklist is not intended as legal advice. MGIC EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. MGIC AND ITS AFFILIATES WILL NOT BE LIABLE FOR ANY DAMAGES OF ANY KIND ARISING FROM USE OF THE CHECKLIST.

Checklist completed by ▶

Date ▶