

# Clarity AMC Appraisal Review Form

## General

- There are no blank fields on the report
- All date formatting is mm/dd/yyyy
- Date sequence (signature date is not before effective date) and year (20XX) is correct  
Throughout the report, the subject's state is referred to as the 2 letter abbreviation with BOTH letters capitalized.
- "Other" land use is described.

## Subject Section

- Subject address matches order exactly
- The borrower name matches order
- The lender/client name and address matches the engagement letter exactly.
- Assignment type is marked correctly and described if needed (purchase).
- FHA case number matches exactly. (if applicable)
- The subject's FULL 12 mo list history has been disclosed. All list prices, dates of price changes and DOM have been provided.

## Sales Comparison Grid

- Public data and MLS sources have been validated and ALL info provided is complete and accurate
- The sale date and contract date have been provided for Comps.
- City, State and zip are provided for subject and all comps/listings.  
There are 2 sold comps w/in 90 days of effective date - If not, there is commentary explaining why. If there are sales available w/in 90 days in the subject's market but they are not comparable, please comment in detail why they are not comparable/why they cannot be used. IF FHA OR USDA (RD) and appraisal marked as "rural", the 90 day requirement is extended to 6 months. **I would require 90 days all the time and get it over with, as suburban will become rural AND appraisal can be used for CONV loan or any other type if they switch programs as we set the bar high and its good practice anyway.**
- Adjusted value range is 10% or less – if not, commentary has been provided to explain why it is not possible.

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Net and gross adjustments do not exceed 15%-25%. If so, there is detailed commentary telling why.

2 listings have been provided with list to sales price ratio adjustments.

### **Rapid Value Increases (all appraisals)**

If >30% Increase in Value within past 12 months:

List of Improvements made by seller is required

Interior photos are required, **all rooms and any deferred maintenance or recent improvements that are listed within report. Label all photos.**

Underwriter MAY require 2<sup>nd</sup> appraisal or field review

### **Cost Approach**

Cost approach does not need to be completed except: the land value and remaining economic life have been provided in the cost approach; **cost approach required for unique properties, or properties with specialized improvement per HUD.**

### **Reconciliation**

Subject's market value is "as is" or "subject to" if FHA or USDA (RD) and "subject to" then a detailed list of required repairs must be provided. If Conv., then provide a cost to cure and provide dollar amount.

Final value is bracketed by the adjusted sales price range of the comparables.

Reconciliation: Provide a detailed reconciliation statement explaining how you concluded the estimated value including an explanation of the weighting of the comparables during the sales comparison approach.

### **Addendum**

Intended user/use statement has been provided

Comp search commentary: Provide detailed commentary regarding your comparable search parameters and the results of your search. Your comments should explain: what search parameters you used when researching the subject market; why you selected the comps you used in the report and why you believe they are the best available; and how you arrived at any adjustments you applied, including detailed market supported reasoning for the adjustments. Use the best comparable sales available at the time of your analysis, however if there are fewer than 2 sold comps w/in 90 days of the effective date of the appraisal, include detailed commentary explaining why. If there are sales

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available w/in 90 days in the subject's market but they are not comparable, please comment in detail why they are not comparable and why they cannot be used. Inclusion of the results of your entire comparable search (MLS list or manually input) as an additional exhibit is highly recommended.

FHA verbiage is provided. FHA verbiage (well and septic if on well and septic does it appear to be functioning and does it meet the distance requirements from the well (if it has a well) and the property line.) Make sure all HUD comments are in the report (it meets minimum HUD standards).

- 1004MC/ LENDER DOES NOT ALLOW NA TO BE USED IN ANY FIELDS USE 0 OR UNAVIALBLE AND PROVIDE A SPECIFIC COMMENT. Characterization of market conditions must be supported by stated market statistical data (price and inventory trends, etc.) along with other relevant documentation including the MC Addendum.

### **Photos & Exhibits**

- Subject Photos – FNMA required photos are included as well as: **all rooms and any deferred maintenance or recent improvements that are listed within report.**
- Drive-by/exterior only appraisals should contain the two photo subject page with only front and street scenes and not a three photo page with a blank where rear view photo should be.
- Original Comp Photos -(MLS photos not accepted).
- ALL photos are correctly labeled
- Appraiser's license included
- MLS print-out of subject's full 12 mo list history, if possible