

URAR APPRAISAL DESK REVIEW

FNMA/FHLMC SINGLE FAMILY COMPLIANCE

Lender <u>Sample</u>	Loan Number <u>40015112-1956444</u>
Borrower/Client _____	
Property Address <u>655 SE Edge Knoll Dr</u>	
City <u>Pullman</u>	County <u>Whitman</u>
Appraiser <u>Sample</u>	State _____ Zip Code _____
Appraiser's Address _____	Phone <u>555-55-555</u>

This URAR Appraisal Desk Review Form assists the Reviewer in determining if the appraisal is well written, the calculations correct, the reasoning sound and the value conclusion well supported.

	ITEMS	Y E S	N O	COMMENT ON ALL "NO's"
SUBJECT	1. SUBJECT PROPERTY INFORMATION: The subject section is complete and correct including any special conditions or financing.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All subject information is completed and is verified with public records.
NEIGHBORHOOD	2. DESCRIPTION/CLASSIFICATION: The neighborhood has been accurately described and the subject property determined to be a single family residence.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	the neighborhood is properly described. The appraiser accurately depicts the direct neighborhood.
	3. CHARACTERISTICS: The neighborhood has been accurately described for "Location", "% Built Up", "Growth Rate", "Property Value Trend", "Demand/Supply", "Marketing Time" and "Land Use %'s".	<input checked="" type="checkbox"/>	<input type="checkbox"/>	all items are considered acceptable. The appraiser properly displays the information requested.
	4. LAND USE: Any changes in "Land Use" have been reported and noted if the changes negatively affect the subject property's value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	land use is properly explained and acceptable.
	5. OCCUPANCY / VACANCY: If the neighborhood is not mostly owner occupied and/or there are excessive vacancies, the effect on the subject property's value has been reported.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	no occupancy/vacancy effects were noted.
	6. PRICE RANGE / AGE: If the subject property's value is not within the neighborhood "Price" or "Age" Ranges, the effect on the subject property's value has been reported.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Subject falls within reported ranges.
	7. NEIGHBORHOOD ANALYSIS: The items have been reasonably rated and any "Fair" or "Poor" ratings have been explained, and their effect on the subject property's value has been reported.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No fair or poor ratings noted.
	8. EXTERNAL OBSOLESCENCE: Any External Obsolescence has been explained, and the effect on the subject property's value has been reported.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No external obsolescence reported.
	9. ENVIRONMENT: Sufficient information about how the overall neighborhood environment effects the subject property's value has been reported.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No adverse environmental conditions noted.
	SITE	10. COMMUNITY STANDARDS: The site, site improvements and utilities have been accurately described, and it has been reported if they meet community standards.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. PRIVATE STREETS: If the site fronts a private street, any legally enforceable street maintenance agreements have been reported.		<input checked="" type="checkbox"/>	<input type="checkbox"/>	Subject does not front a private street.
12. NONCONFORMING / ILLEGAL USE: If the subject property does not conform or is used illegally, this effect on the subject's value has been reported.		<input checked="" type="checkbox"/>	<input type="checkbox"/>	Subject's zoning compliance is legal.
13. HIGHEST AND BEST USE: If present improvements are not the Highest and Best Use, the effect on the subject's value has been reported. If the property can be renovated to its Highest and Best Use, this has been noted.		<input checked="" type="checkbox"/>	<input type="checkbox"/>	Highest and best use is explained and acceptable.
14. FEMA FLOOD HAZARD: If the property is in a "FEMA Flood Hazard", a FEMA flood map has been attached, and its effect on the subject's value has been reported.		<input checked="" type="checkbox"/>	<input type="checkbox"/>	Subject is not located in a FEMA flood zone.
15. EASEMENTS, ENCROACHMENTS, ETC.: The effect of easements and encroachments on the subject's value has been considered.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No uncommon easements or encroachments noted	
IMPROVEMENTS	16. DESCRIPTION: The description of improvements is complete and accurate compared to photographs, sketches and other information including physical deterioration and functional obsolescence.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Improvements are described accurately when compared to photographs and other information within the report
	17. AGE ESTIMATES: The Effective Age, Actual Age and Remaining Economic Life estimates are consistent with each other and the physical deterioration and functional obsolescence estimates.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Age estimations are acceptable.
	18. INTERIOR SKETCH AND GLA: The interior sketch is consistent with the room list. Finished below grade rooms have been reported but have not been included in the GLA calculation. The GLA has been properly calculated.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	GLA calculations are considered acceptable.
	19. INTERIOR DESCRIPTION / PERSONAL PROPERTY: Personal property has been marked with a "P" and has not been included in the subject's value. The interior description is complete and correct.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No personal property noted within the appraisal.
AUTOS	20. CAR STORAGE: The description matches the sketches and photographs. If car storage is inadequate, its effect on the subject's value has been reported.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Car storage is adequate and is properly described.

	ITEMS	Y ES	N O	COMMENT ON ALL "NO's"
COMMENTS	21. EXPLANATIONS: Any ratings of "Fair" or "Poor" or described as non-conforming or atypical have been explained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No fair or poor ratings noted.
	22. PHYSICAL DETERIORATION/OBsolescence: Any external obsolescence, physical deterioration or functional obsolescence has been explained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	obsolescence was described accurately.
	23. GENERAL MARKET CONDITIONS: General market conditions have been sufficiently reported.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Market conditions appear accurate but the text addendum refers to market conditions as of 10/2011
COST APPROACH	24. CALCULATION: The calculations are correct.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	calculations are accurate
	25. COST APPROACH: The use of the cost approach is suitable for the property, and all the steps of the cost approach have been properly applied.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	the estimations of the cost approach seems reasonable and accurate.
	26. SITE VALUE: The site value is reasonable, and if higher than usual it has been explained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	site value is acceptable.
	27. REPRODUCTION COST: The reproduction cost estimates are reasonable and have been properly calculated.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	all costs are calculated and are considered reasonable.
	28. DEPRECIATION: External obsolescence, physical deterioration and external obsolescence estimates match reported items on the front of the URAR.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	all depreciation is accounted for and accurate.
	29. COST APPROACH FINAL VALUE ESTIMATE: The estimate is reasonable and is consistent with the "Sales Comparison Analysis" estimate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	cost approach in regards to final opinion was not utilized in this report.
SALES COMPARISON	30. COMPARABLE SALES SELECTION: The comparable sales are correct, and an adequate reason has been given as to why they were selected.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	See attached addenda.
	31. SUBDIVISIONS: "New Subdivision" subject properties contain at least one comparable sale outside the subdivision unless there have been sufficient resales inside the new subdivision. Established subdivision subject properties contain comparable sales from inside the subdivision.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	all comparables are within a reasonable distance(or explained) and show multiple areas within the market area/neighborhood.
	32. COMPARABLE SALES ADJUSTMENT: A minimum of three closed Comparable Sales have been analyzed. Minus dollar adjustment for superior differences and a plus dollar adjustment for inferior differences have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	adequate number of comps were used and adjustments appear to be reasonable. * time adjustment for sale 3 is inconsistent and requires further explanation
	33. VALUE VS. COST ADJUSTMENTS: The adjustments accurately assess the value rather than cost of the adjusted items.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	adjustments appear satisfactory
	34. LARGE ADJUSTMENTS: A satisfactory explanation has been provided for best comparable sales if their net adjustment exceeds 15%, the gross adjustment exceeds 25% or if there is a substantial difference between their adjusted prices.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Gross/Net adjustments are within guidelines
	35. OTHER ADJUSTMENTS: If needed, other adjustments have been made for schools, room counts, GLA's, sales and/or financing concessions, improvements, and any external or functional obsolescence, and/or physical deterioration of the comparable sales.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	adjustments used were adequately explained.
INCOME	36. RECONCILIATION: The "Reconciliation" is supported by sound reasoning and explains the appraised final value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	final reconciliation was explained and considered acceptable.
	37. MARKET RENT GMRM: The income approach has been used if the house is an investment property. The GMRM and estimated market rent are supported in the addenda. If the income approach was not used, it has been explained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	not developed.
RECONCILE	38. "AS IS" SUBJECT TO FUTURE WORK/CONDITIONS: If not "as is," future work or conditions have been listed in the report.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Report completed "as-is"
	39. FINAL RECONCILIATION: The final value estimate has been supported by sound reasoning and data.	<input type="checkbox"/>	<input type="checkbox"/>	the appraised value of \$360,000 is considered acceptable for the report being reviewed.
ADDENDA	40. ATTACHMENTS: The required Certificate and Statement of Limiting Conditions, Definition of Market Value, Photographs of the Subject and Comparable Sales, Maps, Exterior Sketch and Interior Floor Plan Addenda have been attached to the report.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All required attachments are in the report.

FNMA and FHLMC acknowledge most appraisals will not contain every specific item listed in this URAR Appraisal Desk Review form. The reviewer should judge the importance of any items marked "NO" in this report. If the appraisal as a whole sufficiently describes the subject property and supports the value conclusion, no further action is needed.

REVIEWER'S REPORT	I have reviewed the appraisal. I do not know of any changes since the appraisal's date which would significantly affect the subject property's value.	
	<input type="checkbox"/>	The appraisal is acceptable. The market value estimate has been properly supported, and the property description is complete and accurate. While it is not necessary the appraisal meet every specific guideline, the appraisal is supported by sound reasoning and any variations from FNMA/FHLMC standards have been explained.
	<input checked="" type="checkbox"/>	The appraisal requires additional information to be acceptable. The items requiring additional information are: <u>23, 30, 32</u>
	<input type="checkbox"/>	The appraisal is unacceptable. Market value estimates are not sufficiently supported and the subject property description is not accurate and/or complete.
Reviewer's Name <u>Marty Gilmore</u>		Date Reviewed <u>04/05/2012</u>
		<input type="checkbox"/> Did <input checked="" type="checkbox"/> Did Not Inspect Property

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what they considers their own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

SCOPE OF REVIEW: The scope of this review is limited to the information being provided by the original appraiser, and is to form an opinion as to the apparent adequacy and relevance of the data and the propriety of any adjustments to the data; form an opinion as to the appropriateness of the appraisal methods and techniques used and develop the reasons for any disagreement; form an opinion as to whether the analyses, opinions, and conclusions in the report under review are appropriate and reasonable, and develop the reasons for any disagreement.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS

CERTIFICATION: The reviewer certifies and agrees that, to the best of his/her knowledge and belief:

1. The facts and data reported by the Reviewer and used in the review process are true and correct.
2. The analyses, opinions, and conclusions in this review report are limited only by the assumptions and limiting conditions stated in this review report, and are my personal, unbiased professional analyses, opinion, and conclusions.
3. Unless stated elsewhere, I have no present or prospective interest in the property that is the subject of this report and I have no personal interest or bias with respect to the parties involved.
4. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this review report.
5. My analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
6. Unless stated elsewhere in this report, I did not personally inspect the exterior subject property.
7. No one provided significant professional assistance to the person signing this review report.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Reviewer appearing in the review report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Reviewer in the review report.

1. The Reviewer assumes no responsibility for matters of a legal nature affecting the property which is the subject of this review or the title thereto, nor does the Reviewer render any opinion as to the title, which is assumed to be good and marketable.
2. The Reviewer is not required to give testimony or appear in court because of having made the review, unless arrangements have been previously made therefor.
3. The Reviewer assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Reviewer assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.
4. Information, estimates, and opinions furnished to the Reviewer, and contained in the review report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Reviewer can be assumed by the Reviewer.
5. Disclosure of the contents of the report is governed by the Uniform Standards of Professional Appraisal Practice and the Bylaws and Regulations of the professional appraisal organizations with which the Reviewer is associated.
6. Neither all, nor any part of the content of the review report, or copy thereof (including the conclusions of the review, the identity of the Reviewer, professional designations, reference to any professional appraisal organizations, or the firm with which the Reviewer is connected), shall be used for any purpose by anyone but the client specified in the review report, its successors and assigns, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or the District of Columbia, without the previous written consent and approval of the Reviewer.
7. No change of any item in the review report shall be made by anyone other than the Reviewer and the Reviewer shall have no responsibility for any such unauthorized change.

Reviewer's Signature: 
 Reviewer's Name: _____
 Date of Review: 04/05/2012

Reviewer's Signature: _____
 Reviewer's Name: _____
 Date of Review: _____

Supplemental Addendum

File No. 40015112-1956444

Borrower/Client	Soumik Banerjee				
Property Address	655 SE Edge Knoll Dr				
City	Pullman	County	Whitman	State	WA Zip Code 99163
Lender	Washington Trust				

- **URAR Desk Review: Comparable Sales Selection**

Sales over 6 months -appraiser comments this is due to the limited pool of comparable sales and with none bracketing the subjects high end age the search was expanded to 24 months.

Appraiser to comment on longer than typical days on market for comparable #1

Sale 5 has no room count adjustment - appraiser to correct or comment