

**RESIDENTIAL APPRAISAL REVIEW
FOR SINGLE FAMILY HOUSING**

1. County Office Mailing Address E-Mail - jash@liuna.org	5. Appraiser Name FmHA Staff <input type="checkbox"/> Contractor <input type="checkbox"/> Guaranteed <input type="checkbox"/> David E. Stone, IFAS
2. Borrower / Former Borrower / Applicant Abraham Nieto	6. Date of Appraisal April 5, 2006
3. Subject Property Street Address 15615 W. Lynne Ln.	7. Abbreviated Legal Description Buckeye 320 MCR 673-34 Lot 71
4. City State ZIP Code Buckeye AZ 85326	8. Property Rights Appraised (from URAR) Fee Simple

ANALYSIS OF RESIDENTIAL APPRAISALS

SCOPE: TECHNICAL REVIEW (Complete Sections A & C) FIELD REVIEW (Complete Sections A, B & C)

	YES <small>(Check one)</small>	NO <small>(Check one)</small>		YES <small>(Check one)</small>	NO <small>(Check one)</small>
A. TECHNICAL REVIEW SECTION					
1. Are dwelling dimensions properly calculated?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9. Was physical depreciation estimated in accordance with accepted practices? Enter method used to determine, e.g., M&S, depreciation tables, age / life method, etc.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Are photographs of the front and rear, including the "street appeal" of the property attached to the Uniform Residential Appraisal Report (URAR)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>This was new construction and it is presumed that no other persons occupied the property prior to the date.</u>		
3. Are photographs of the comparable sales attached included as part of the appraisal report?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10. Does the appraisal identify functional depreciation and / or external obsolescence, in addition to physical depreciation?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Are comparable sales less than one year old?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	11. Do gross adjustments exceed 25% of the comparable sales price?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. If the answer to #4 is no, were other comparable sales available that were less than 12 months old?	<input type="checkbox"/>	<input type="checkbox"/>	12. Do net adjustments exceed 15% of the comparable sales price?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Are FmHA comparable sales being used?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	13. Does overall completion of the appraisal reflect consistent, uniform logic throughout the preparation of the cost approach and the market approach on the URAR?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. If the answer to #6 is yes, has the appropriate authorization been obtained?	<input type="checkbox"/>	<input type="checkbox"/>	14. Does the room count on the front of the URAR agree with the room count on the reverse?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Are comparable sales similar to and within reasonable proximity of the subject and considered to be in the same market?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	15. Are there math errors?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Comment:			16. Are there excessive adjustments when little difference between the comparable and the subject is apparent?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
This is a retrospective desk review based on a date of 4/5/06. The property under review was a new home construction project when the original appraisal was performed. The original appraiser used sales substantially further from the subject property than was necessary. All the sales used by the original appraiser and the alternative sales found by the reviewer were in the MLS at the time of the original appraisal assignment. The responses cited above and throughout this desk review are based on the county tax forms, MLS sheets and such other information the review appraiser could gather from sources available in 2009.					

NOTE: Form 1007 is required only for proposed or existing property less than one year of age, or when the estimated market value of a property is based on the cost approach. The Marshall and Swift RE-2 Residential Cost program (electronically produced version) maybe used in lieu of Form 1007. A generic Uniform Residential Appraisal Report (URAR) may be used, including electronically produced versions. Guaranteed lender appraisals (GLA) are not required to use Form FmHA 1922-8 Forms Manual Insert Instructions. The appraisal should be logical and consistent throughout, whether the appraisal is for GRH or direct loans.

B. FIELD REVIEW SECTION
(If no field review is being conducted, skip to Section C, below)

YES NO
(Check one)

1. Are dwelling dimensions properly measured

2. Is the appraiser's overall description of the neighborhood complete and accurate (location, general market conditions, property values, demand / supply, marketing time, general appearance of properties, appeal to market, etc.)?

3. Is the appraiser's overall description of the site complete and accurate (zoning compliance apparent adverse conditions, size, flood hazard, etc.)?

4. Is the appraiser's overall description of the improvements complete and accurate (property description, depreciation, and condition)? If not, explain.

5. Are the design and appeal, quality of construction, and size of the subject property similar to others in the area? If not, how is the subject different?

6. Are the comparables used in the analysis truly comparable to the subject property, and representative of the best ones available as of the effective date of the appraisal? If not, explain and provide an adjustment grid with the appropriate comparables and adjustments on an addendum.

7. Can the date of sale (contract date and / or closing / settlement date), sales price, and sales or financing concessions for the comparables be confirmed through the data source the appraiser indicated? If not explain.

8. Were the comparables actual closed or settled sales as of the effective date of the original appraisal?

C. RECOMMENDATIONS OF THE APPRAISAL REVIEWER:

YES NO
(Check one)

a. FmHA Staff Appraisals

1. Provide additional FmHA residential appraisal training to the employee to improve appraisal skills?

2. Revocation of residential appraisal authority of the employee until such time as additional FmHA training can be provided and the employee can demonstrate and perform residential appraisal knowledge and skills, in accordance with this instruction?

3. Reinstate the employee's residential appraisal authority, which was previously revoked and / or modified by the State Director?

b. Contract Appraisals:

4. Recommend payment authorization to the Contract Appraiser? (If not already paid) If not, then explain in #7 below and take one of the following actions:

Request more information
Give notice to terminate

c. Guaranteed Loan Appraisals:

5. Recommend acceptance of the appraisal submitted by Guaranteed Lender?

d. All Appraisals:

6. Overall Quality of appraisal (Explain)
Acceptable Unacceptable

Comments
See Attached Addendum

7. Explanations:
See Attached Addendum

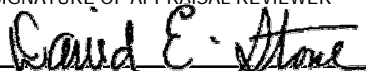
ASSUMPTIONS & LIMITING CONDITIONS

1. This review is based on information and data contained in the appraisal report or observed in the field review. Data and information from other sources may be considered. If so, they are identified and noted as such.
2. It is assumed that such data and information are factual and accurate unless otherwise noted.
3. The Reviewer reserves the right to consider any new or additional data or information which may subsequently become available.
4. Unless otherwise stated, all assumptions and limiting conditions contained in the appraisal report, which is the subject of this appraisal review are also conditions of this review.

I CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF:

- The facts and data reported by the review appraiser and used in the review process are true and correct.
- The analyses, opinions and calculations 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, opinions, and conclusions.
- 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.
- 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.
- My analyses, opinions and conclusions were developed, and the review report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practices.
- I personally inspected the subject property of the report under review.
 YES NO
- No one, other than those parties identified in this review, provided significant professional assistance to the person signing this review report.

SIGNATURE OF APPRAISAL REVIEWER



David E. Stone, IFAS

TITLE OF APPRAISAL REVIEWER

President / Certified General License #30853

DATE OF APPRAISAL

04/5/2006

ADDENDUM

Borrower: Abraham Nieto

File No.: 1534

Property Address: 15615 W. Lynne Ln.

Case No.:

City: Buckeye

State: AZ

Zip: 85326

Lender: Jordan Ash

Acceptability Comments

The original appraiser has made selections of comparable sales that would support the sale price of the subject property. The original appraiser traveled to Goodyear (5 & 11 miles) for two sales that were dissimilar in GLA forcing larger adjustments than was necessary had the appraiser used closer sales.

The review appraiser found sales the original appraiser could have used that range from a low sale price of \$279,900 to a high of \$392,800. These are sales not adjusted for differences compared to the subject property. GLA of the sales ranged from a low of 2,900 Sf to a high of 3,316 Sf. The sales found by the review appraiser were closer than the appraiser's sales and within the same City. See map attached.

Note - The review appraiser did not map the original appraiser's pending sale(#5) or the listing presented (Listing #6).

Pool adjustments appear reasonable at \$20,000, but the adjustment for upgrades is suspect since the appraiser did not offer any detail as to what some of the upgrades or lack of upgrades might be. The adjustments for upgrades are unsupported by adequate explanation.

Sale/comp #1 has a incorrect zip code.

Reviewer Comments

The review appraiser believes that the original appraiser exceeded guidelines due in part to rising values in this and other markets within the Central Arizona area. Without further information regarding the market value and cost of the upgrades the reviewer can not accurately determine if the upgrade adjustments are excessive, although they appear unsupported.

Due to what appears to be excessive adjustments the value of the subject property could be overstated. A new retro appraisal is recommended.

The review appraiser's review of this appraisal does not include performance of services beyond this desk review. Services such as testimony via depositions or court are a separate service and not included herein.

Location map

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