

**RESIDENTIAL APPRAISAL REVIEW  
FOR SINGLE FAMILY HOUSING**

|                                                                                  |                                                                                                                                                              |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. County Office Mailing Address<br><b>E-Mail - jash@liuna.org</b>               | 5. Appraiser Name FmHA Staff <input type="checkbox"/> Contractor <input type="checkbox"/> Guaranteed <input type="checkbox"/><br><b>David E. Stone, IFAS</b> |
| 2. Borrower / Former Borrower / Applicant<br><b>Lilian &amp; James E. Gooden</b> | 6. Date of Appraisal<br><b>September 14, 2006</b>                                                                                                            |
| 3. Subject Property Street Address<br><b>25666 W. Linda Ln</b>                   | 7. Abbreviated Legal Description<br><b>Buckeye 320 MCR 673-34 Lot 280</b>                                                                                    |
| 4. City State ZIP Code<br><b>Buckeye AZ 85326</b>                                | 8. Property Rights Appraised ( from URAR)<br><b>Fee Simple</b>                                                                                               |

**ANALYSIS OF RESIDENTIAL APPRAISALS**

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

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | YES<br><small>(Check one)</small>   | NO<br><small>(Check one)</small>    |                                                                                                                                                                       | YES<br><small>(Check one)</small>   | NO<br><small>(Check one)</small>    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>A. TECHNICAL REVIEW SECTION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                     |                                     |                                                                                                                                                                       |                                     |                                     |
| 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 checked="" type="checkbox"/> | <input 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"/>            | _____                                                                                                                                                                 |                                     |                                     |
| 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 type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/>            | 15. Are there math errors?                                                                                                                                            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Comment:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                     |                                     | 16. Are there excessive adjustments when little difference between the comparable and the subject is apparent?                                                        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| <p>This is a retrospective desk review based on a date of 9/14/06. The property under review was a new home construction project when the original appraisal was performed. The original appraiser used sales from the builder's files that were not part of the MLS inventory (except Morning Dew Ln) and therefore could not be verified with additional comments and information usually found in MLS listing sheets. The responses cited above and throughout this desk review are based on the county tax forms and such other information the review appraiser could gather from sources available in 2009.</p> |                                     |                                     |                                                                                                                                                                       |                                     |                                     |

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.

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\_\_\_\_\_  
\_\_\_\_\_

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?

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\_\_\_\_\_  
\_\_\_\_\_

**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

09/14/2006

## ADDENDUM

Borrower: Lilian & James E. Gooden

File No.: 1598

Property Address: 25666 W. Linda Ln

Case No.:

City: Buckeye

State: AZ

Zip: 85326

Lender: Jordan Ash

### Acceptability Comments

The original appraiser has made several adjustments that are questionable. The adjustment for GLA of the 3ed sale (Morning Dew) is inconsistent with the MLS records and the County Assessor. The appraiser has the property listed at 1410 SF whereas the county and MLS have it at 1274 SF. Using the appraiser's GLA factor this would indicate an error of \$4,886.

The adjusted value would be \$9,888 higher than indicated. This would likely have affected the outcome of the appraisal as the appraiser used this sale as a conclusion of value and the appraiser put a 4th sale (Cocopah) in the report to bracket the value.

The appraiser also has suggested that sale #3 has more upgrades than the subject, but has not provided the reader with adequate evidence that there is a difference and what the difference in value would be.

### Reviewer Comments

The review appraiser believes that this appraisal lacks support for the value estimate based on sale/comp #3s error in GLA and the unsupported adjustment for upgrades. It further appears that the appraiser used sale/comp #4 for the purpose of using the sale/comp #3 to support the value conclusion. If the correct GLA was used and the upgrade adjustment was eliminated the value would have been much higher and likely forced the appraiser to estimate a lower valued sale.

Due to what appears to be an excessive adjustment the value 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.