APPRAISAL REPORT CHECKLIST

MGIC

This checklist is designed to help you review the following appraisal reports: Uniform Residential, Manufactured Home and Market Conditions Addendum. 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** **☐Condo** **☐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] Does the owner of public record match the seller names on the contract? ☐Yes **☐No**
8] Is the contract an arms length sale? ☐Yes **☐No**
9] Is there any financial assistance being paid by any party on behalf of the borrower? **☐Yes** ☐No
10] *If manufactured home,* did the appraiser review the manufacturer's invoice? ☐Yes **☐No**

Neighborhood Section ▶

11] Is the location rural or less than 25% built up? **☐Yes** ☐No
12] Are property values declining? **☐Yes** ☐No
13] Does demand/supply reflect an oversupply? **☐Yes** ☐No
14] Is the marketing time more than six months? **☐Yes** ☐No
15] Is the sales price within the neighborhood price range? ☐Yes **☐No**
16] Are there any negative comments in the Neighborhood section? **☐Yes** ☐No
17] Does the subject property conform to the present land use? ☐Yes **☐No**
18] Are the trends reported on the 1004/71 MC (Market Conditions Addendum) the same as tends reported in the Neighborhood section of the 1004? ☐Yes **☐No**

HUD Data Plate (Manufactured Home Appraisal Report Only) ▶

19] Is the HUD Data Plate/Compliance Certificate attached to the dwelling? ☐Yes **☐No**
20] Is a HUD Certificate label attached to the exterior of each section of the dwelling? ☐Yes **☐No**
21] Do the Wind, Roof Load and Thermal Zone meet minimum HUD requirements for the location of the subject property? ☐Yes **☐No**

Site Section ▶

22] Is the zoning rated legal nonconforming or illegal? **☐Yes** ☐No
23] Is the present use the highest and best use? ☐Yes **☐No**
24] Is the property in a Special Flood Hazard area? **☐Yes** ☐No
25] Are the Utilities and/or Off-Site Improvements public? ☐Yes **☐No**
26] Are there any adverse comments, (e.g., environmental conditions, land uses, easements, view, etc.) in the Site section? **☐Yes** ☐No

If manufactured home ▶

27] Are the site size, shape and topography generally conforming and acceptable in market area? ☐Yes **☐No**
28] Is there adequate vehicular access to subject property? ☐Yes **☐No**
29] Is the street properly maintained? ☐Yes **☐No**

Improvements Section ▶

30] Does the Condition Rating of C1-C6 meet guidelines or investor criteria? ☐Yes **☐No**
31] Are there any comments indicating adverse property conditions (e.g., settlement, dampness, repairs, etc.)? **☐Yes** ☐No
32] Are there any physical deficiencies or adverse conditions that affect the livability, soundness or structural integrity of the property? **☐Yes** ☐No
33] Does the property conform to the neighborhood? ☐Yes **☐No**
34] *If manufactured home,* does the Design (style) indicate the number of sections as one? **☐Yes** ☐No

Sales Comparison Approach ▶

35] Does the Quality Rating of Q1-Q6 meet guidelines or investor criteria? ☐Yes **☐No**
36] Are the comparable sales located within an acceptable distance from the subject? ☐Yes **☐No**
37] Are there three comparable sales that have closed within the last six months or appropriate time frame for current market conditions? ☐Yes **☐No**
38] Did the appraiser select a rating and factor for both location and view? ☐Yes **☐No**
39] Are the comparables similar to the subject in location, design, age, size, room count and amenities? ☐Yes **☐No**
40] Does the sales price/gross living area for the subject property line up with the comparable sales? ☐Yes **☐No**
41] Did the appraiser use only data or verification sources that are non-public or non-MLS such as builder or developer? **☐Yes** ☐No
42] Did the appraiser explain and support with market data any superior comparable sales? ☐Yes **☐No**
43] If the subject property is in a controlled market is there at least one comparable sale outside the control of the developer, builder or property seller? ☐Yes **☐No**
44] If the subject property is a manufactured home are there a minimum of two comparable sales that are also manufactured homes with similar features including overall quality and condition? ☐Yes **☐No**
45] If the subject has unusual features did the appraiser provide additional comparable sales with similar characteristics? ☐Yes **☐No**
46] Did the appraiser provide photographs of the subject property's kitchen, bathrooms and main living area? ☐Yes **☐No**

continued ▶

Sales Comparison Approach (continued) ▶

47] Are the photographs in color and clear? ☐ Yes ☐ **No**
48] Did the photographs show items described such as railroad tracks, powerlines etc. ☐ Yes ☐ **No**
49] Do the photographs of the subject property reflect weather consistent with date of appraisal? ☐ Yes ☐ **No**
50] Did appraiser comment if photo is not consistent with weather conditions? ☐ Yes ☐ **No**

Additional Comments ▶

51] Did the appraiser provide comments to support the market value conclusions provided in the report? ☐ Yes ☐ **No**
52] Did the appraiser provide an appropriate explanation for any findings that show a significant or unusual variance between the subject property and comparables. (e.g., Unique design of home, subject's sales price much lower than comparables) ☐ Yes ☐ **No**

Reconciliation ▶

53] Is the appraisal made "as is"? ☐ Yes ☐ **No**
54] Is the appraisal less than four months old? ☐ Yes ☐ **No**
55] Does the appraised value support the sales price? ☐ Yes ☐ **No**
56] Are there any negative comments? ☐ **Yes** ☐ No

Cost Approach (Must be completed if Manufactured Home) ▶

57] Is the land-to-value ratio typical for the area? ☐ Yes ☐ **No**
58] Is functional and/or external obsolescence indicated? ☐ **Yes** ☐ No

PUD Information (If Applicable) ▶

59] Is developer/builder in control of the Homeowner's Association (HOA)? ☐ **Yes** ☐ No
60] Was the project created by conversion of an existing building(s) into a PUD? ☐ **Yes** ☐ No
61] Does the project contain any multi-dwelling units? ☐ **Yes** ☐ No
62] Are the units/common elements and recreation facilities complete? ☐ Yes ☐ **No**
63] Are the common elements leased to or by the Homeowner's Association? ☐ **Yes** ☐ No

Addenda ▶

64] Is there a street map that identifies the locations of the subject and comparable sales? ☐ Yes ☐ **No**
65] Does the building sketch differ from the bedroom and bath counts in the body of the appraisal? ☐ **Yes** ☐ No
66] Do the photos of the subject and comparables reflect similar design and appeal? ☐ Yes ☐ **No**
67] Do any of the addenda include adverse comments? ☐ **Yes** ☐ No

Appraiser's Certification ▶

68] Is the appraisal signed and dated and is the Appraiser Certification or license number entered? ☐ Yes ☐ **No**

Market Conditions Addendum ▶

69] Is there a 1004MC/71 Addendum included with appraisal? ☐ Yes ☐ **No**
70] Did the appraiser fully complete the Inventory Analysis, Median Sale & List Price, DOM, Sale/List % and Overall Trend section? ☐ Yes ☐ **No**
71] Did the appraiser explain any trends with seller contributions over the past 12 months? ☐ Yes ☐ **No**
72] Were foreclosure sales a factor in the market? ☐ **Yes** ☐ No
73] Does the summary of information from the 1004MC/71 support the conclusions in the Neighborhood section of appraisal? ☐ Yes ☐ **No**

▶ The MGIC Appraisal Report Checklist is designed to assist you in analyzing appraisals. The Checklist is not intended, nor should it be relied upon, as all-inclusive. Refer to Investor or Agency Guidelines for specific 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, EXPRESS 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 ▶ _____