



Residential Evaluation Report (RER)

ensuring compliance with the Interagency Guidelines (IAG) and USPAP

April, 2016

Definitions

“RER™ ” shall mean a Residential Evaluation Report and is deemed to be a restricted appraisal report. A certified appraiser must reconcile up to **five** independent market value indicators and provide their opinion of value. RER™ allows the appraiser to conform to USPAP through the development of a Restricted Appraisal Report. RER™ also contains the required components for an Evaluation indicated in the Interagency Guidelines, therefore RER™ is also an Evaluation. An exterior RER™ only assumes the interior condition of the subject property based on an exterior view from the street by a license real estate professional. An interior RER™ includes verification, photographic documentation and inclusion of condition, upgrades and component descriptions.

Uniform Standards of Professional Appraisal Practice (USPAP), Advisory Opinion-13 (AO-13) and Interagency Guidelines(IAG)

Uniform Standards of Professional Appraisal Practice (USPAP) represents the generally accepted and recognized standards of appraisal practice. While USPAP provides a minimum set of quality control standards for the conduct of appraisal. It does not attempt to prescribe specific methods to be used. Rather, USPAP simply requires that appraisers be familiar with and correctly utilize those methods which would be acceptable to other appraisers familiar with the assignment at hand and acceptable to the intended users of the appraisal. USPAP directs this through what is called the *Scope of Work* rule. At the onset of an assignment, an appraiser is obligated to gather certain specified preliminary data about the project, such as the nature of the property to be appraised, the basis of value (e.g. market, investment, impaired, unimpaired), the interests appraised (e.g. fee, partial), important assumptions or hypothetical conditions, and the effective date of the valuation. Based on this and other key information, the appraiser relies on peer-reviewed methodology to formulate an acceptable work plan.

USPAP has ten Standards which cover the development and reporting of valuation. There are ten Statements, which appraiser utilize as points of clarification of the Standards. Standards are considered binding requirements. In addition, there are 31 **Advisory Opinions** that are advisory rather than binding requirement.

As a result of the Dodd Frank Act, revised **Interagency Appraisal and Evaluation Guidelines, (IAG)** were released in December 10, 2010 - The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the National Credit Union Administration (NCUA) (the Agencies) are jointly issuing these Interagency Appraisal and Evaluation Guidelines (Guidelines), which supersede the 1994 Interagency Appraisal and Evaluation Guidelines. These Guidelines, including their appendices, address supervisory matters relating to real estate appraisals and evaluations used to support real estate-related financial transactions.¹ Further, these Guidelines provide federally regulated institutions and examiners clarification on the Agencies' expectations for prudent appraisal and evaluation policies, procedures, and practices

Advisory Opinion 13 (AO-13) was developed to provide appraisers the knowledge on how appraisers could complete Evaluations and still comply with USPAP and IAGs.

The following slides show how the RER™ and RER Express™ allows the appraiser to comply with USPAP and IAG.

Product Attributes & Federal Compliance Requirements

	MCS Valuations	Federal Compliance	
Requirements for an Evaluation set forth in USPAP and the Interagency Guidelines	RER™	USPAP Std 2-2 Restricted Appraisal Report	Interagency Guidelines
1 - Completed by an appraiser	✓	✓	
2 - Identify the Client, by name or type	✓	✓	
3 - State the intended use of the appraisal	✓	✓	
4 - State the real property interest appraised	✓	✓	
5 - Definition of Market Value - including an estimate of exposure time	✓	✓	
6 - Effective date of the valuation	✓	✓	
7 - Scope of work used to develop the appraisal	✓	✓	
8 - State all extraordinary assumptions and hypothetical conditions	✓	✓	
9 - Provide a description of the property - BPO used as the source of the description of the property	✓	✓	✓
10 - Current and projected use / Highest & Best Use	✓	✓	✓
11 - Indicated zoning	✓		✓
12 - Describe subject's condition - BPO used as the source to determine the properties condition	✓		✓
13 - Describe methodology for valuing subject	✓		✓
14 - Describe supplemental information when using an analytical method or technological tool	✓		✓
15 - External data sources disclosed	✓		✓
16 - Property- specific data used	✓		✓
17 - Evidence of a property inspection - BPO used as the source of the inspection	✓		✓
18 - Photos of the property - are included as a part of the BPO	✓		✓
19 - Description of neighborhood or local market conditions	✓		✓
20 - Disclosure of prior service on the subject property	✓	✓	
21 - Signature of preparer	✓	✓	✓
22 - Limiting conditions and certifications	✓	✓	
23 - Retail Value AVM	✓		
24 - Distressed AVM	✓		
25 - Independent Value Indicators	✓		
Turn Time	24 hours		

Product Comparison Attribute by Attribute

1 – Required to be completed by an appraiser

MCS Valuations has adopted the stance that any Evaluation fulfilled will be completed by an appraiser. When appraisers are acting as an appraiser must comply with Uniform Standards of Professional Appraisal Practice.(USPAP).

Interagency Guidelines state that an appraiser is not required to complete an evaluation.

[Click here for an online version of USPAP](#)

[Click here for an online version of Interagency Appraisal Guidelines](#)

(a) Appraisal Report	(b) Restricted Appraisal Report
i. state the identity of the client and any intended users, by name or type;	i. state the identity of the client by name or type; and state a prominent use restriction that limits use of the report to the client and warns that the rationale for how the appraiser arrived at the appraiser's opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser's workfile;
ii. state the intended use of the appraisal;	ii. state the intended use of the appraisal;
iii. summarize information sufficient to identify the business or intangible asset and the interest appraised;	iii. state information sufficient to identify the business or intangible asset and the interest appraised;
iv. state the extent to which the interest appraised contains elements of ownership control, including the basis for that determination;	iv. state the extent to which the interest appraised contains elements of ownership control, including the basis for that determination;
v. state the extent to which the interest appraised lacks elements of marketability and/or liquidity, including the basis for that determination;	v. state the extent to which the interest appraised lacks elements of marketability and/or liquidity, including the basis for that determination;
vi. state the standard (type) and definition of value and the premise of value, and cite the source of the definition;	vi. state the standard (type) of value and the premise of value, and cite the source of its definition;
vii. state the effective date of the appraisal and the date of the report;	vii. state the effective date of the appraisal and the date of the report;
viii. summarize the scope of work used to develop the appraisal;	viii. state the scope of work used to develop the appraisal;
ix. summarize the information analyzed, the appraisal procedures followed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the market approach, asset-based (cost) approach, or income approach must be explained;	ix. state the appraisal procedures followed, state the value opinion(s) and conclusion(s) reached, and reference the workfile; exclusion of the market approach, asset-based (cost) approach, or income approach must be explained;
x. clearly and conspicuously state all extraordinary assumptions and hypothetical conditions; and state that their use might have affected the assignment results; and;	x. clearly and conspicuously state all extraordinary assumptions and hypothetical conditions; and state that their use might have affected the assignment results; and;
xi. include a signed certification in accordance with Standards Rule 10-3.	xi. include a signed certification in accordance with Standards Rule 10-3.
Comments have not been included in this chart	


*All references to Standards Rules are pursuant to the 2016/2017 edition of USPAP

Product Comparison Attribute by Attribute

2 – Identify the Client, by name or type.

*Standards Rule 2-2: “(b)(i) state the identity of the client, unless the clients has specifically requested otherwise; and state a prominent use restriction that limits use of the report to the client and warns rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser’s workfile;”

RER™

Residential Evaluation Report			
			
Property Address:		Year Built	1997
City, State, Zip Code:		Condition:	Good
Property Type:	SFD	Bedroom/Bath:	4/4
Current / Projected Use:	SFD/SFD	Gross Living Area:	4376
Property Zoning:	Residential	Date:	10/12/2015
Lot Size:(acres)	.309	MCS Valuations ID:	8800330
Est. of "mkt. exposure"	60 Days	Client ID:	452
Total repair estimate	\$0	Intended User	MCSV House Account

*All references to Standards Rules are pursuant to the 2016/2017 edition of USPAP

Product Comparison Attribute by Attribute

3 – States the intended use of the appraisal report

*Standards Rule 2-2: “(b)(iv) state the real property interest appraised.”

Intended Use
The purpose of this evaluation is to develop an opinion of market value (as defined) for the identified subject property to assist the client with their asset valuation process. The report is not intended for any other use.

Product Comparison Attribute by Attribute

4 – State the real property interest appraised

*Standards Rule 2-2: “(b)(ii) state the intended use of the appraisal.”

Real Property Interest Considered
The real property interest considered is fee simple, unless otherwise indicated in this report.

Product Comparison Attribute by Attribute

5 – Definition of Market Value

*Standards Rule 2-2:“(b)(v) state the type of value and cite the source of its definition;

Comment: When an opinion of reasonable **exposure time** has been developed in compliance with *Standards Rule 1-2(c), the opinion must be stated in the report.”

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 and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:			
<ol style="list-style-type: none">1. Buyer and seller are typically motivated2. Both parties are well-informed or well advised, and acting in what they consider their own best interests3. A reasonable time is allowed for exposure in the open market4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto5. 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			
Source: Office of the Comptroller of the Currency, under 12CFR, Part 34, Subpart C - Appraisals, 32.42 Definitions (g).			

Residential			
Property Address:		Condition:	Good
City, State, Zip Code:		Bedroom/Bath:	4/4
Property Type:	SFD	Gross Living Area:	4376
Current / Projected Use:	SFD/SFD	Date:	10/12/2015
Property Zoning:	Residential	MCS Valuations ID:	8800330
Lot Size:(acres)	.309	Client ID:	452
Est. of "mkt. exposure"	60 Days	Intended User	MCSV House Account
Total repair estimate	\$0		


*All references to Standards Rules are pursuant to the 2016/2017 edition of USPAP

Product Comparison Attribute by Attribute

6 – Effective date of the report

*Standards Rule 2-2: "(b)(vi) state the effective date of the appraisal and the date of the report;

Comment: The effective date of the appraisal establishes the context for the value opinion, while the date of the report indicates whether the perspective of the appraiser on the market and property as of the effective date of the appraisal was prospective, current, or retrospective."

Residential Evaluation Report			
			
Property Address:		Year Built	1997
City, State, Zip Code:		Condition:	Good
Property Type:	SFD	Bedroom/Bath:	4/4
Current / Projected Use:	SFD/SFD	Gross Living Area:	4376
Property Zoning:	Residential	Date:	10/12/2015
Lot Size:(acres)	.309	MCS Valuations ID:	8800330
Est. of "mkt. exposure"	60 Days	Client ID:	452
Total repair estimate	\$0	Intended User	MCSV House Account

Product Comparison Attribute by Attribute

7 – Scope of work used to develop the appraisal

*Standards Rule 2-2: “(b)(vii) state the scope of work used to develop the appraisal;

Comment: Because the client’s reliance on an appraisal may be affected by the scope of work, the report must enable them to be properly informed and not misled. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.”

Scope of Work & Analytical Methods, Techniques Employed
<p>The Uniform Standards of Professional Appraisal Practice (USPAP) define the scope of work as “the type and extent of research and analysis in the appraisal or appraisal review assignment.” The scope of work includes, but is not limited to, the extent to which the property is identified; the extent to which tangible property is inspected; the type and extent of data researched; and the type of analyses applied to arrive at opinions or conclusions. The sales comparison approach is the primary method of analysis included in this report. Although considered to be useful as support to the sales comparison approach, when applicable, the cost and income approaches were not employed as a part of this assignment. The client understands these two approaches were not applied and agree they are not required due to the property type and their desired scope of work limitations. The highest and best use of the site and improvements are assumed to be as they are currently used. The person performing the evaluation has relied on a current Broker Price Opinion, along with a GeoAVM Core™, GeoAVM Distressed™ automated valuation models (AVM), BPO Indicated Value Approach™ (IVA) and an Alternative Comparable Indicated Value Approach™ (IVA), which includes a search of applicable sales data available to compare to the subject property, as well as an internal CompScore™ process with corresponding adjustments. After reviewing the independently completed value and price estimates, including the methodology and data integrity, availability, and applicability, the person performing the evaluation has determined the best market value indications and provided a reconciled opinion of market value. The work file has been maintained, according to the Uniform Standards of Professional Appraisal Practice requirements. The reconciliation includes</p> <ol style="list-style-type: none">1. Verification if the AVM's were completed, or not. Because AVM's are not always available, the person performing the evaluation has recognized any limitation of applicable data in their analysis and resulting opinion of market value.2. Review of the AVM forecasted standard deviation and confidence scores.3. Familiarization with the Broker Price Opinion and communication with the Broker or agent, as needed, to clarify any use, conditions, or neighborhood representations and to meet geographical competency standards.4. Review of the BPO and Alternative Comparable IVAs including the data and analysis.5. Any additional research required to complete the analysis and to provide a credible opinion of market value.

*All references to Standards Rules are pursuant to the 2016/2017 edition of USPAP

Product Comparison Attribute by Attribute

8 – States all extraordinary assumptions and hypothetical conditions

*Standards Rule 2-2: “(b)(xi) clearly and conspicuously: state all extraordinary assumptions and hypothetical conditions; and state that their use might have affected the assignment results;”

Extraordinary Assumptions and Restriction on Use

WARNING: The use of such extraordinary assumptions might have affected the assignment results. The extraordinary assumptions, assumed by the person performing the evaluation, unless otherwise indicated in the report, include:

1. There are no adverse conditions related to the subject site or related to the proximity of the subject property to nearby detrimental influences.
2. There are no specific adverse environmental conditions (e.g., hazardous wastes, toxic substances) present in the improvement(s), on the site, or in the immediate vicinity of the subject property.
3. Any discrepancies between the public record information or other data source(s) and the existing subject site or improvement(s) that would significantly alter the person performing the evaluation's opinion of value are not apparent.
4. Factors such as easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of a similar nature that would significantly affect the person performing the evaluation's opinion of value are not apparent.
5. Components, such as mechanical, electrical, plumbing that constitute the subject property are fundamentally sound and in good working order.
6. The sources and data collected are assumed to be reliable, true, and correct.

Product Comparison Attribute by Attribute


9 – Provide a description of the Property

*Standards Rule 2-2: “(b)(iii) state information sufficient to identify the real estate involved in the appraisal;

Comment: The real estate involved in the appraisal can be specified, for example, by a legal description, address, map reference, copy of a survey or map, property sketch and/or photographs or the like”

**** (IAG)**

- “Identify the location of the property.”
- “Provide a description of the property and its current and projected use.”

Residential Evaluation Report			
			
Property Address:		Year Built	1997
City, State, Zip Code:		Condition:	Good
Property Type:	SFD	Bedroom/Bath:	4/4
Current / Projected Use:	SFD/SFD	Gross Living Area:	4376
Property Zoning:	Residential	Date:	10/12/2015
Lot Size:(acres)	.309	MCS Valuations ID:	8800330
Est. of "mkt. exposure"	60 Days	Client ID:	452
Total repair estimate	\$0	Intended User	MCSV House Account

** *All references to IAG are pursuant to the Interagency Guidelines
December 10, 2010

*All references to Standards Rules are pursuant to the 2016/2017 edition of USPAP

Product Comparison Attribute by Attribute


10 – Current & Projected use / Highest & Best use

*Standards Rule 2-2: “(b)(iii) state information sufficient to identify the real estate involved in the appraisal;

Comment: The real estate involved in the appraisal can be specified, for example, by a legal description, address, map reference, copy of a survey or map, property sketch and/or photographs or the like”

**** (IAG)**

- “Identify the location of the property.”
- “Provide a description of the property and its current and projected use.”

Residential Evaluation Report			
			
Property Address:		Year Built	1997
City, State, Zip Code:		Condition:	Good
Property Type:	SFD	Bedroom/Bath:	4/4
Current / Projected Use:	SFD/SFD	Gross Living Area:	4376
Property Zoning:	Residential	Date:	10/12/2015
Lot Size:(acres)	.309	MCS Valuations ID:	8800330
Est. of "mkt. exposure"	60 Days	Client ID:	452
Total repair estimate	\$0	Intended User	MCSV House Account


** *All references to IAG are pursuant to the Interagency Guidelines
December 10, 2010

*All references to Standards Rules are pursuant to the 2016/2017 edition of USPAP

Product Comparison Attribute by Attribute

11 – Indicated Zoning

**** (IAG)** "Provide an estimate of the property's market value in its physical condition, use and **zoning designation** as of the effective date of the evaluation (that is, the date that the analysis was completed), with any limiting conditions."

Residential Evaluation Report			
			
Property Address:		Year Built	1997
City, State, Zip Code:		Condition:	Good
Property Type:	SFD	Bedroom/Bath:	4/4
Current / Projected Use:	SFD/SFD	Gross Living Area:	4376
Property Zoning:	Residential	Date:	10/12/2015
Lot Size:(acres)	.309	MCS Valuations ID:	8800330
Est. of "mkt. exposure"	60 Days	Client ID:	452
Total repair estimate	\$0	Intended User	MCSV House Account

** *All references to IAG are pursuant to the Interagency Guidelines December 10, 2010

Product Comparison Attribute by Attribute

12 – Describe the Subject's Condition

**** (IAG)** "Describe the method(s) the institution used to confirm the property's actual physical condition and the extent to which an inspection was performed."

RER™ – utilizes a BPO to describe the condition of the subject

PROPERTY INFORMATION											
NO. UNITS	TYPE	STYLE	LOT ACRES	GLA SQ FT	ROOMS	BR/BA	BSMT	GARAGE CARPORT	AGE YRS	VIEW	POOL/SPA
1	SFD	2-St Conv	.309	4,378	11	4 4	No	3 CAR Gar Att	18		
CURRENTLY LISTED No		LISTED IN LAST 12 MOS No		LIST PRICE (IF LISTED) \$		LIST COMPANY (IF LISTED)			LIST COMPANY PHONE (IF LISTED)		DOM
TRANSFERRED OWNERSHIP IN LAST 12 MOS No			SALE DATE (IF SOLD LAST 12 MOS)			SALE PRICE (IF SOLD LAST 12 MOS) \$			MARKET RENT (MONTHLY) \$ 4,300		
VACANT Occupied By Unkn		SECURED (IF VACANT)		CONDO/PUD No		HOA FEES \$ 900 PER Year		OWNER OCCUPIED %		DEVELOPMENT NAME	
CURB APPEAL Good		PROPERTY MAINTENANCE Good		LANDSCAPE & LAWN Good			CONFORMITY TO NEIGHBORHOOD Good		CONDITION Good		
GUEST HOUSE No		GUEST HOUSE SQ FT		GUEST BSMT SQ FT			LAND PRICE \$ 135,000				
NEIGHBORHOOD INFORMATION											
HOMES IN AREA ARE Similar		HOMES IN DIRECT COMPETITION 11		PRICE RANGE \$ 318,000 TO \$ 710,000			SUPPLY/DEMAND Stable		ENVIRONMENTAL ISSUES No		
LOCATION Suburban		CRIME		NEIGHBORHOOD TREND Stable			HOMES IN THIS MARKET ARE Increasing AT A RATE OF .5 % PER MONTH				

** *All references to IAG are pursuant to the Interagency Guidelines December 10, 2010

Product Comparison Attribute by Attribute

13 – Describe the Methodology for valuing the Subject

*Standards Rule 2-2: “(b)(viii) state the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the sales comparison approach, cost approach, or income approach must be explained;

**** (IAG)**

- “Describe the analysis that was performed and the supporting information that was used in valuing the property.”
- “Describe the supplemental information that was considered when using an analytical method or technological tool.”

Scope of Work & Analytical Methods, Techniques Employed
<p>The Uniform Standards of Professional Appraisal Practice (USPAP) define the scope of work as “the type and extent of research and analysis in the appraisal or appraisal review assignment.” The scope of work includes, but is not limited to, the extent to which the property is identified; the extent to which tangible property is inspected; the type and extent of data researched; and the type of analyses applied to arrive at opinions or conclusions. The sales comparison approach is the primary method of analysis included in this report. Although considered to be useful as support to the sales comparison approach, when applicable, the cost and income approaches were not employed as a part of this assignment. The client understands these two approaches were not applied and agree they are not required due to the property type and their desired scope of work limitations. The highest and best use of the site and improvements are assumed to be as they are currently used. The person performing the evaluation has relied on a current Broker Price Opinion, along with a GeoAVM Core™, GeoAVM Distressed™ automated valuation models (AVM), BPO Indicated Value Approach™ (IVA) and an Alternative Comparable Indicated Value Approach™ (IVA), which includes a search of applicable sales data available to compare to the subject property, as well as an internal CompScore™ process with corresponding adjustments. After reviewing the independently completed value and price estimates, including the methodology and data integrity, availability, and applicability, the person performing the evaluation has determined the best market value indications and provided a reconciled opinion of market value. The work file has been maintained, according to the Uniform Standards of Professional Appraisal Practice requirements. The reconciliation includes</p> <ol style="list-style-type: none">1. Verification if the AVM's were completed, or not. Because AVM's are not always available, the person performing the evaluation has recognized any limitation of applicable data in their analysis and resulting opinion of market value.2. Review of the AVM forecasted standard deviation and confidence scores.3. Familiarization with the Broker Price Opinion and communication with the Broker or agent, as needed, to clarify any use, conditions, or neighborhood representations and to meet geographical competency standards.4. Review of the BPO and Alternative Comparable IVAs including the data and analysis.5. Any additional research required to complete the analysis and to provide a credible opinion of market value.

Product Comparison Attribute by Attribute

14 – Describe supplemental information when using an analytical method or technological tool

*Standards Rule 2-2: "(b)(viii) state the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the sales comparison approach, cost approach, or income approach must be explained;

****(IAG)**

- "Describe the analysis that was performed and the supporting information that was used in valuing the property."
- "Describe the supplemental information that was considered when using an analytical method or technological tool."

Integrated Analytical Methods, Technological Tools and Supplemental Information

Integrated analytical methods and technological tools used in this residential evaluation report include the Indicated GeoAVMCore™ and GeoAVM Distressed™ automated valuation models (AVM), BPO Indicated Value Approach (IVA), and an Alternative Comparable Indicated Value Approach™. The Indicated Value Approaches are proprietary predictive models based on information provided in valuations considered in this report. Integrated analytical methods and technological tools were utilized by MCS Valuations as part of the Quality Control analysis, including CompScore™. CompScore™ is a quality index established to measure the comparability of the sold and list data provided by the professional real estate analyst to the subject property, measuring variances in key property characteristics including proximity, GLA, lot size, age and room count, among others.

Descriptions of Confidence Score and Forecast Standard Deviation


Definition of Confidence Score: The GeoAVM Core and GeoAVM Distressed have definitions of "Confidence Score" included within the AVM. Please refer to each specific AVM for their appropriate definition. The definition for the Alternative Comparable IVA, BPO "AS IS" and BPO IVA is the measure of the extent to which sales data, property information, and comparable sales supporting the property valuation analysis process. The confidence score range is 60-100. Clear and consistent quality of data drive higher confidence scores while lower confidence scores indicate diversity in the data, lower quality and quantity of data, and/or limited similarity of subject property to comparable sales.

FSD Definition: The FSD denotes confidence in an AVM estimate and uses a consistent scale and meaning to generate a standardized confidence metric. The FSD is a statistic that measures the likely range or dispersion an AVM estimate will fall within, based on the consistency of the information available to the AVM at the time of estimation. The FSD can be used to create confidence that the true value has a statistical degree of certainty.

Product Comparison Attribute by Attribute

15 and 16 - External data sources disclosed

ValuePoint4[®]



Property Address:
County: DENTON, TX
Owner Name:
Report ID: 1444065912008956

SUMMARY

SUCCESS - VP4 VALUATION SUCCESSFUL - COUNTY DECLARED FEMA DISASTER AREA 4223 (05/23/2015)

Estimated Value: \$566,000

Value as of: 10/05/2015

Estimated Value Range	Processed Date	Confidence Score	Forecast Standard Deviation
\$543,000 - \$620,000	10/05/2015	75	15

SUBJECT PROPERTY INFORMATION

Property Address:

SALES HISTORY

Sale Price: \$362,500

Rec / Sale Date: / 11/18/2011

Sale Type: E

1st Mtg Amount: \$290,000

1st Mtg Type: C

2nd Mtg Amount:

Seller Name: FULLER JOSEPH P & KATHY

Prior Sale Price: \$545,000

Prior Rec / Sale Date: / 06/05/2006

Prior Sale Type:

Prior 1st Mtg Amount: \$350,000

Prior 1st Mtg Type: C

LOCATION INFORMATION

PROPERTY INFORMATION

TAX INFORMATION

APN: R187213

Land Use: SFR

Census Tract: 217.48

Township: XXXXXXXXXXXX

Absentee Owner: N

Living Area: 4,314

Year Built: 1997

Bedrooms: 4

No. of Stories: 2

Pool: Y

Parking: 2

Lot Area: 13.4

Total Rooms: 16

Bath (F/H): 4 / Y

A/C: 2

Fireplace: 2

COMPARABLE SALES

**** (IAG)** "Indicate all source(s) of information used in the analysis, as applicable, to value the property, including:"

15 – "External data sources (such as market sales databases and public tax and land records);"

16 – "Property-specific data (such as previous sales data for the subject property, tax assessment data, and comparable sales information);"

Description of Analysis, Supporting Information, and Sources of Information

The person performing the evaluation has relied on a current Broker Price Opinion, along with a GeoAVM Core™ and GeoAVM Distressed™ automated valuation models (AVM), BPO Indicated Value Approach™ (IVA) and an Alternative Comparable Indicated Value Approach™ (IVA), which includes a search of applicable sales data available to compare to the subject property, as well as an internal CompScore™ process with corresponding adjustments. After reviewing the independently completed value and price estimates, including the methodology and data integrity, availability, and applicability, the person performing the evaluation has determined the best market value indications and provided a reconciled opinion of market value. The work file has been maintained, according to the Uniform Standards of Professional Appraisal Practice requirements. Data specific to the subject property and the sales comparison approach were incorporated throughout the process. Supporting data and information from public records and Multiple Listing Services was utilized. The Quality Control process included additional cost-free and subscription-based online data, as applicable.

** *All references to IAG are pursuant to the Interagency Guidelines December 10, 2010


Product Comparison Attribute by Attribute


17 and 18 – External data sources disclosed

**** (IAG)** – “Indicate all source(s) of information used in the analysis, as applicable, to value the property, including:”

17 – “Evidence of a property inspection;”

18 – “Photos of the property;”

Residential Evaluation Report			
			
Property Address:		Year Built	1997
City, State, Zip Code:		Condition:	Good
Property Type:	SFD	Bedroom/Bath:	4/4
Current / Projected Use:	SFD/SFD	Gross Living Area:	4376
Property Zoning:	Residential	Date:	10/12/2015
Lot Size:(acres)	.309	MCS Valuations ID:	8800330
Est. of 'mkt. exposure'	60 Days	Client ID:	452
Total repair estimate	\$0	Intended User	MCSV House Account



PROPERTY INFORMATION											
NO. UNITS	TYPE	STYLE	LOT ACRES	GIA SQ FT	ROOMS	BR/BA	BSMT	GARAGE CARPORT	AGE YRS	VIEW	POOL/SPA
1	SFD	2-St Conv	.309	4,376	11	4 4	No	3 CAR Gar Att	18		
CURRENTLY LISTED		LISTED IN LAST 12 MOS		LIST PRICE (IF LISTED)		LIST COMPANY (IF LISTED)		LIST COMPANY PHONE (IF LISTED)		DOM	
No		No		\$							
TRANSFERRED OWNERSHIP IN LAST 12 MOS			SALE DATE (IF SOLD LAST 12 MOS)			SALE PRICE (IF SOLD LAST 12 MOS)			MARKET RENT (MONTHLY)		
No						\$			\$ 4,300		
VACANT Occupied By Unk		SECURED (IF VACANT)		CONDO/PUD		HOA FEES		PBR Year		OWNER OCCUPIED %	
No		No		No		\$ 900					
CURB APPEAL		PROPERTY MAINTENANCE		LANDSCAPE & LAWN		CONFORMITY TO NEIGHBORHOOD		CONDITION			
Good		Good		Good		Good		Good			
GUEST HOUSE		GUEST HOUSE SQ FT		GUEST BSMT SQ FT		LAND PRICE					
No						\$ 135,000					
NEIGHBORHOOD INFORMATION											
HOMES IN AREA ARE Similar		HOMES IN DIRECT COMPETITION		PRICE RANGE		SUPPLY/DEMAND		ENVIRONMENTAL ISSUES			
		11		\$ 316,000 TO \$ 710,000		Stable		No			
LOCATION Suburban		CRIME		NEIGHBORHOOD TREND		HOMES IN THIS MARKET ARE		AT A RATE OF .5 % PER MONTH			
				Stable		Increasing					

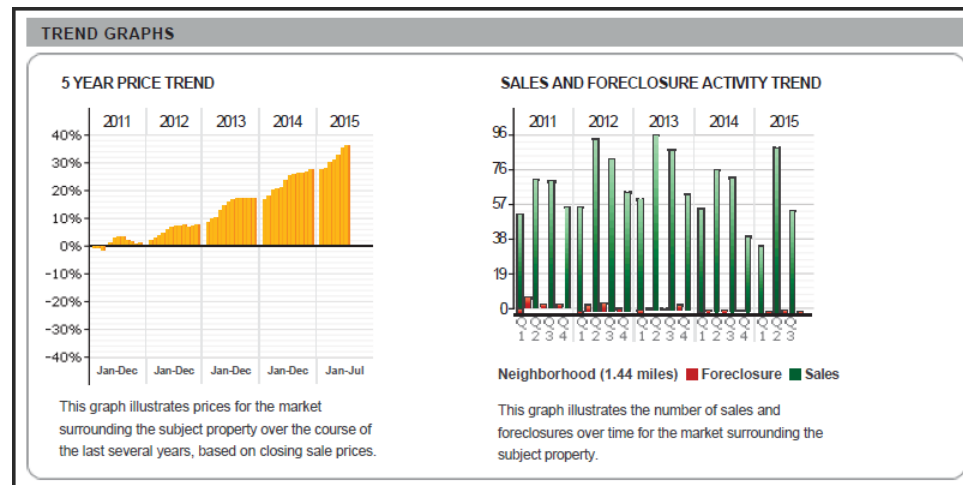
Product Comparison Attribute by Attribute

19 - Description of the neighborhood; or local market conditions

**** (IAG)** – “Indicate all source(s) of information used in the analysis, as applicable, to value the property, including:”

19 – “Local market conditions”

MCS Valuations provides the appraiser the data do describe the local market conditions. Local market conditions is included in the AVM's.



NEIGHBORHOOD INFORMATION				
HOMES IN AREA ARE Similar	HOMES IN DIRECT COMPETITION 11	PRICE RANGE \$ 318,000 TO \$ 710,000	SUPPLY/DEMAND Stable	ENVIRONMENTAL ISSUES No
LOCATION Suburban	CRIME	NEIGHBORHOOD TREND Stable	HOMES IN THIS MARKET ARE Increasing AT A RATE OF .5 % PER MONTH	

Product Comparison Attribute by Attribute

20 – Disclosure of prior service on the subject property

*Standards Rule 2-3: "I have performed no (or the specified services), as an appraiser or in any other capacity regarding the property that is the subject of this report within the 3 years period immediately preceding acceptance of this assignment."

Appraiser reconciliation comments: Appraiser reconciliation comments: According to the BPO the subject is in overall good condition with no recommended repairs, interior condition is assumed to be similar. The price range in the RER report is \$289,000 to \$795,000, meaningful. RER indicates prices have increased since 2014 and stabilized. BPO indicates neighborhood trend is stable. The RER provided 5 reports, 4 with scores. From the RER report BPO "As Is" value is \$603,700, with confidence level of 91 and 9 FSD score. BPO IVA value is \$578,500, confidence level of 83 and 29 FSD score. The subject is in a location backing to golf course, with no apparent adverse external influences. The subject appears to conform to the neighborhood. The BPO sales range from \$565,000 to \$589,000 and listings from \$550,000 to \$699,900. In conclusion, consideration given to all BPO "As Is", BPO IVA and Automated "As Is" Market Value Estimate, most weight given to sale comps 2 and 3, due to backing to golf course, a value of \$580,000 appears reasonable. Exposure time is estimated at 60 days. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this agreement. Fee for assignment \$28.50.

Prior Work Performed for Property (within the last 3 Years): I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Product Comparison Attribute by Attribute

21 & 22 – Signature of the preparer / Limiting Conditions and Certifications

*Standards Rule 2-2: "(b)(xii) included a signed certification in accordance with *Standards Rule 2-3"

**** (IAG)** "Include information on the preparer when an evaluation is performed by a person, such as the name and contact information, and signature (electronic or other legally permissible signature) of the preparer."

*All references to Standards Rules are pursuant to the 2016/2017 edition of USPAP

** *All references to IAG are pursuant to the Interagency Guidelines December 10, 2010

Limiting Conditions, Assumptions and Certification
Limiting Conditions and Assumptions
<ol style="list-style-type: none">1. The person performing the evaluation will not be responsible for matters of a legal nature that affect either the property being analyzed or the title to it. The person performing the evaluation assumes that the title is good and marketable, and will not render any opinions about the title.2. The person performing the evaluation will not give testimony or appear in court because he or she completed a Residential Evaluation Report of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.3. Unless otherwise stated in this Residential Evaluation Report, the person performing the evaluation has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property or surroundings (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has made an extraordinary assumption that there are no such conditions or influences; the person performing the evaluation makes no guarantees, or warranties, express or implied. The person performing the evaluation will not be responsible for any such conditions or influences that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the person performing the evaluation is not an expert in the field of environmental hazards, this Residential Evaluation Report must not be considered as an environmental assessment of the property.4. The person performing the evaluation obtained information, estimates, and opinions that were expressed in the Residential Evaluation Report from sources he or she considers to be reliable and believes them to be true and correct. However, the person performing the evaluation does not assume responsibility for the accuracy of such items furnished by other parties.5. The person performing the evaluation has based the valuation conclusion on the identified and available data sources, which are considered reliable and include, but are not limited to, public records and MLS data.6. The person performing the evaluation assumes the subject property complies with zoning, environmental and land use regulations, and that the present use is the Highest and Best Use as improved.7. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass.8. The person performing the evaluation will not disclose the contents of this report except as provided for in the Uniform Standards of Professional Appraisal Practice or required by applicable law.9. The client is the party or parties who engage a person performing the evaluation (by employment contract) in a specific assignment. A party receiving a copy of this Residential Evaluation Report from the client does not, as a consequence, become a party to the person performing the evaluation-client relationship. Any person who receives a copy of this Residential Evaluation Report as a consequence of disclosure requirements that apply to the person performing the evaluation's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment.
Certifications
The person performing the evaluation certifies and agrees that:
<ol style="list-style-type: none">1. The statements of fact contained in this report are true and correct.2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.3. I have no present or prospective interest in the property that is the subject of this report and have no personal interest with respect to the parties involved.4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this Residential Evaluation Report.7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.8. I have not made a personal inspection (viewing) of the property that is the subject of this report.9. I have personally prepared all opinions and conclusions concerning the subject property that were set forth in the Residential Evaluation Report. The property was not physically inspected by the person performing the evaluation, therefore there was reliance upon the other sources including, but not limited to, the Broker Price Opinion.10. No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)11. I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment unless otherwise stated in the report.
Signature, Date, Certification
Signature:  The Effective date of this Report is: 10/08/2015 Report Date: 10/12/2015 Certification #:  Certification Expiration Date: 11/30/2015

Product Comparison Attribute by Attribute

23 & 24 - AVMs

RER™ provides the Appraiser with two CoreLogic proprietary AVMs to consider as indicators of value. They are included in their entirety.

Value/Price Indications	Value	MVE Variance	High Range	Low Range	Conf. Score	FSD
GeoAVM Core	\$566,000	2.41%	\$620,000	\$543,000	79	15
GeoAVM Distressed	\$502,000	13.45%	\$564,000	\$443,000	N/A	14

Product Comparison Attribute by Attribute

25 - Independent Value Indicators

RER™ provides the MCS Valuations proprietary IVAs to consider as indicators of value. These are included in their entirety to allow for review by the appraiser.

Value/Price Indications	Value	MVE Variance	High Range	Low Range	Conf. Score	FSD
GeoAVM Core	\$566,000	2.41%	\$620,000	\$543,000	79	15
GeoAVM Distressed	\$502,000	13.45%	\$564,000	\$443,000	N/A	14
Alternative Comparable IVA	\$501,000	13.62%	\$795,000	\$289,000	93	16
BPO "AS IS"	\$603,700	-4.09%	\$699,900	\$550,000	91	9
BPO IVA	\$578,500	0.26%	\$612,400	\$555,000	83	29

End of
Presentation