

Master Residential Appraisal Report

File No.

The purpose of this summary appraisal report is to document appraisals of new or proposed one-family construction for mortgages to be delivered to Fannie Mae. This report form is designed to be used in conjunction with appraisals reported on the *Desktop Underwriter Quantitative Analysis Appraisal Report* (Form 2055). The use of this master appraisal valuation process and report is subject to Fannie Mae's prior approval (on a lender-by-lender basis). All of the Basic Model market values and the contributory market value of the individual lot/unit value locations and options/upgrades for the subject project are reported on the attached schedules. Guidelines for this master appraisal valuation process appear on page 5 of this form.

Project Name	MRAR#		
City	County	State	Zip Code
Recorded Legal Description or Reference			
Project Description <input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Other			
Type of Units <input type="checkbox"/> Detached <input type="checkbox"/> Attached, describe	Number of Units included		
Describe general characteristics of site and improvements including common facilities and amenities:			
This master appraisal includes the following Lot/Unit Numbers:			

Builder's Name	Telephone #	Fax #	
Address	City	State	Zip Code
Lender's Name	Telephone #	Fax #	
Address	City	State	Zip Code
Appraiser's Name	Telephone #	Fax #	
Address	City	State	Zip Code

Supply and Demand Summary	NEW UNITS	1. a. Number of Unsold Units (completed or under-construction)	Project	Market Area
		b. Absorption Rate (number of new units sold per month)		
		c. Existing New Housing Supply (Number of Unsold Units/Absorption Rate)		
		2. a. Use of Special or Creative Financing or Sales Concessions. If Yes for either Project or Market Area, describe:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
RESALE UNITS		1. a. Number of Unsold Units (current listings of previously occupied units)		
		b. Absorption Rate (number of resale units sold per month)		
		c. Existing Resale Housing Supply (Number of Unsold Units/Absorption Rate)		
		2. Use of Special or Creative Financing or Sales Concessions. If Yes for either Project or Market Area, describe:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
COMPARABLE PROJECTS Names of the most comparable new and existing projects in the subject market area.				
PROPERTY VALUE TREND over the last six (6) months (Increasing, Stable, or Declining)				
Have there been any recent changes in the market area that could affect this property value trend? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Describe:				

In addition to the guidelines on page 5 of this form and the standard certifications on the attached appraisal report forms, the appraiser also certifies and agrees that:

- I performed this master appraisal by: (a) personally performing an inspection of the subject neighborhood and project site, paying particular attention to all individual and master site location factors; (b) personally inspecting the comparable sales from the street; (c) collecting, confirming, and analyzing data from reliable public and/or private sources; and (d) reporting the results of my inspection and analysis in this summary appraisal report.
- I have adequate information about the physical characteristics of the subject property and comparable sales to develop this appraisal.
- I have researched and analyzed comparable sales and offerings/listings in the subject market area to estimate the market value of the Basic Models and the contributory market value of the individual lot/unit value locations and options/upgrades in the subject project. Data sources for my research and analysis include, but are not limited to, similar new and recently built projects, builders, sales agents and cost services. The estimates of contributory value for the options/upgrades are based on the assumption that the total value of options/upgrades selected by a purchaser will not exceed the level supported by the local market.
- I have retained in my work files all supporting documentation for this master appraisal including, but not limited to, the contributory market value of the individual lot/unit value locations and options/upgrades.
- I have taken into consideration the factors that have an impact on value in my development of the estimates of market value in the appraisal report.
- I performed this appraisal as a limited appraisal, subject to the Departure Rule of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of the appraisal (unless I have otherwise indicated in this report that the appraisal is a complete appraisal, in which case, the Departure Rule does not apply).

Appraiser's Signature	Date of Report/Signature
Appraiser's Name	<input type="checkbox"/> Certification or <input type="checkbox"/> License Number
Company Name	State
Effective Date of Appraisal	Expiration Date of Certification or License
Expiration Date of initial Master Appraisal (180 days from Effective Date)	

Master Residential Appraisal Report

Guidelines

File No.

REPORT FORMS

1. The use of this master appraisal valuation process and report as part of the documentation for mortgages delivered to Fannie Mae is subject to Fannie Mae's prior approval (on a lender-by-lender basis). This report is intended for use by the lender only for mortgage finance transactions involving one-family properties (including individual units in condominium and PUD projects).
2. All current Fannie Mae property and appraisal policies apply to the master appraisal process including, but not limited to, the selection of the appraiser, the management of the appraisal process, and the lender's responsibility for the quality and accuracy of both the appraisal and the assessment of the marketability of the property.
3. The *Master Residential Appraisal Report* (Form 2045) is a streamlined property valuation alternative designed for use in conjunction with appraisals reported on the *Desktop Underwriter Quantitative Analysis Appraisal Report* (Form 2055).
4. The *Master Residential Appraisal Report - Amendment* (Form 2045a) is used to extend the expiration date of or to make additions or changes to the initial *Master Residential Appraisal Report*. The *Master Residential Appraisal Report - Worksheet* (Form 2045b) is used by the lender to document individual property valuations as part of the master appraisal process.
5. The minimum exhibits required to support appraisals (on Form 2055) for each Basic Model that is included in this master appraisal include: clear and descriptive floor plans, street maps showing the location of subject project and all comparable sales, and photographs that show the front of each comparable sale.

MASTER APPRAISAL PROCESS

- 1) The lender must obtain or provide access to the following from the builder/contractor for the appraiser's review and analysis
 - a) clear and descriptive plans and specifications, including exterior front view, for each Basic Model to be built in the subject project;
 - b) a project plan showing lot/unit sizes and their locations along with access roadways and the location of any common areas;
 - c) a builder's price list for all Basic Models to be built in the subject project, lot/unit premium prices, and options/upgrades to be offered;
 - d) a clear description or plans and specifications for any unfinished common facilities and project infrastructure along with projected completion dates and related fees or assessments;
 - e) information on projected project phases with completion dates; and
 - f) organization documents and proposed budgets for PUD or condominium projects.
- 2) The appraiser must perform an inspection of the project site and complete Form 2045 along with an appraisal reported on the *Desktop Underwriter Quantitative Analysis Appraisal Report* (Form 2055) for each Basic Model to be built in the project. If the appraiser feels that additional valuation approaches are necessary to produce a credible appraisal, the additional documentation should be attached to the individual appraisal reports. The appraiser must report the value of each Basic Model and estimate any lot/unit value adjustments and the contributory market value for the individual options/upgrades for the subject project.
- 3) The lender is responsible for reviewing all of the master appraisal documentation and underwriting the project. Condominium and PUD project approval is required per Fannie Mae guidelines, but this master appraisal report can be a part of the supporting documentation for the lender's project underwriting review or project submission to Fannie Mae.
- 4) Use of this master appraisal valuation process is acceptable for one-family properties that a prior-approved lender originates in the project. However, the level of underwriting analysis and appraisal documentation required is based on the extent of the property's options/upgrades.
 - a) Fannie Mae will accept the total of the Basic Model Value, lot/unit value adjustment, and the contributory value of the options/upgrades, as determined by the appraiser, as the market value of the property as long as the total of the property's options/upgrades (excluding any lot/unit value adjustment) does not exceed fifteen percent (15%) of the Basic Model Value. The lender must document the individual loan file with the *Master Residential Appraisal Report - Worksheet* (Form 2045b), which must be retained in the individual loan file. The *Master Residential Appraisal Report* (Form 2045) and subsequent *Master Residential Appraisal Report - Amendment* (Form 2045a) must be stored for the life of all loans for which they were used. The documentation can be stored in a central location, and must be retrievable on request by Fannie Mae.
 - b) When a property has options/upgrades with a total value that exceeds fifteen percent (15%) of its Basic Model Value, an individual appraisal report on Form 2055 is required for that individual loan. In such cases, the appraiser must address the contributory value of the options/upgrades in the individual report, which should be supported with sales that have a comparable level of options/upgrades. When an individual appraisal is needed, the appraiser can rely on the master property inspection that he or she performed as part of the master appraisal process for the individual unit appraisals.
- 5) The initial master appraisal report is valid for 180 days. This appraisal report can be updated at any time (even prior to expiration) by the appraiser by using the Form 2045a to extend the master appraisal for an additional 120 days. There is no restriction on the maximum number of updates possible and, therefore, no maximum life of a master appraisal report as long as Form 2045a is current. Form 2045a can be used not only to extend the master appraisal, but also to report changed values for Basic Models, lot/unit value adjustments, and/or options/upgrades or to add additional Basic Models, lot/unit locations, and/or options/upgrades in the same project. By completing the Form 2045a as an update, the appraiser addresses changes in market conditions and the subject property since the effective date of the original master appraisal report or prior updates and analyzes the effect of these changes to arrive at the current value option for those items that are being updated. All approaches used in the initial master appraisal report along with any other analysis that the appraiser believes is necessary to produce a credible appraisal should be completed and reported. Data used in the original report and prior updates must be analyzed in addition to available new data. The Form 2045a must then be stored by the lender in the same location as the original master appraisal report and prior updates.
- 6) Generally, the original appraiser should complete the Form 2045a; however, the lender may use a substitute appraiser. In such cases, the substitute appraiser must review the original *Master Residential Appraisal Report* and all prior Updates and Amendments, if any, and concur with them. The lender should note in its files why the original appraiser was not used.
- 7) The lender must obtain a certification of completion before it delivers the mortgage to Fannie Mae. This certification should be completed by the appraiser and must be accompanied by photographs of the completed improvements. The appraiser must certify that the improvements were completed in accordance with the requirements and conditions stated in the appraisal report. Minor items that do not affect livability may be incomplete as long as the lender has arranged for an adequate escrow to guarantee their completion.
- 8) A copy of the master appraisal and the supporting documentation must be sent to the lender's Fannie Mae Regional Office for review and analysis. A status report by the lender is also required on a 30-days rolling period that shows a breakdown of the individual loans processed in the project.