



SUNTENDER VALUATIONS

APPRAISAL REQUIREMENTS FOR SUNTENDER VALUATIONS, INC.

Updated 06/03/2025

STOP Call Suntender Valuations if subject is a refinance transaction however it has been listed for sale in the past 3 months unless it was a closed sale.

STOP Call Suntender Valuations if subject is a condo and there is pending litigation in subject's condo project.

STOP Call Suntender Valuations if the order type does not match the subject property.

Under no circumstances should an appraiser be reassigning order to another appraiser, unless it's approved by Suntender Valuations.

For conventional SFRs and townhouse style condos, adherence to ANSI Z765-2021 must be declared in the appraisal report. If ANSI adherence is not possible for a subject property, the appraiser must enter "GXX001" at the beginning of the Additional Features field of the appraisal report form and explain why compliance is not obtainable. For FHA, ANSI Z765-2021 adherence is recommended.

For PUD please specify common elements and amenities.

If required by local government/state please make report "subject to": If water heater is not double strapped (unless tankless) or Smoke/CO detector not present, please make the report "subject to".

All comparables must be within 20% of subject's GLA, within 1 mile from subject and sold within the last 6 months. NOTE: If comparable sales exceed proximity/sale criteria, detailed explanation is required.

For 1004D completion, please confirm with the real estate agent and/or borrower that the work is complete before going out.

USPAP Compliance Addendum (2014) form is required for all reports.

Approval is needed for a trainee appraiser. The supervisory appraiser must inspect interior and exterior of subject property, and exterior of comparable sales from street.

Repairs: If needed repair is health and safety related, please complete the report "subject to"; If needed repair is *not* health and safety related, please complete the report "as is" with cost to cure.

Trip fee: Call Suntender Valuations if there is a trip fee. Please do not reschedule without approval since it affects the lender's TRID.

The appraiser can disclose their fee in the report or send us an invoice separately. Invoices should not be combined with the report.

GENERAL REQUIREMENTS

Refinance: Do not proceed if subject is a REFINANCE transaction and the property is LISTED for sale. Call Suntender Valuations for instructions.

Pool (California Only): Due to the drought conditions in California, when the subject has an in ground pool, the client requires the appraiser to state whether or not the pool was filled and functional at the time of inspection and if not, provide commentary stating whether or not there are local/municipal regulations in effect for in ground pools and address the following:

- 1) If regulations exist, but the Subject pool is not in compliance, explain in commentary and make the report 'subject to' those requirements (e.g. fencing and pool cover requirements for empty pools, etc.)
- 2) If no regulations exist, make the report 'as-is' and provide an appropriate cost-to-cure adjustment in the SCA grid to clean, inspect the mechanicals, and fill the pool OR provide commentary to explain the lack of adjustment.

Water heater, smoke detector and CO detector: If required by local government/state, please comment if the smoke detector and carbon monoxide detector were present during the inspection and the water heater was double strapped. Please provide photos. If not, please complete the report "subject to".

Additions and Conversions: The appraiser is to exercise due diligence in determining if an area is legally permitted including verifying permits, zoning, allowable variances and if the area could be rebuilt. Please provide robust commentary explaining the steps taken in attempting to determine if these areas are permitted. If the area is non-permitted or if the permit status is unknown, please comment on market acceptance and if zoning is enforced. If non-permitted or permit status is unknown, please provide at least one comparable with similar addition/conversion without permit.

Service History: The appraiser must comment/disclose any services regarding the subject property performed by the appraiser within the prior three years, as an appraiser or in any other capacity. If no prior services provided, appraiser to comment.

Exposure Time: The appraiser must develop and communicate their opinion of reasonable exposure time.

Location: Commentary is needed if comparables are separated from the subject by a significant man-made or geographic boundary (e.g. highway/busy street, body of water, railroad tracks, etc.)

Prior sale: Commentary is needed if final value estimate is different more than 3% of subject's prior sale price.

Wide Range of Unadjusted/Adjusted Sale Price of comparables: Comment if over 20% difference

Net Adjustment & Gross Adjustment: Comment if net adjustment is over 15% and gross adjustment is over 25%.

Forms Used: UAD forms required for 1004, 1073, 2055 and 1075.

SUBJECT SECTION

New Construction: For new construction, when property taxes have not yet been assessed on the improvement (land taxes only), the client requires that the appraiser provide an estimated tax assessment based upon the completed/improved property and identify it as an estimate.

CONTRACT SECTION

Contract: If the subject is a purchase transaction, the sales contract and all addenda must be reviewed and the impact of financing and sales concessions, if any and their effect on value should be properly analyzed.

Concessions: When the subject property is sold with furnishings included in the sale contract, the appraiser must clarify if it is common in the area for homes to sell furnished and if so, have that demonstrated by the use of furnished comps.

Owner of Public Record: If the seller is a relocation company, please comment if the relocation transaction has any effect on sales price or value.

NEIGHBORHOOD SECTION

Subject Actual Age: When the age of the subject property falls outside of the neighborhood age range, the client requires that the following questions be addressed:

- 1) Why is subject age outside of the neighborhood range?
- 2) Are age adjustments warranted to reflect this difference?
- 3) Does this age difference have any impact on the subject's marketability?

Other Land Use: When 'Other' is reported for Present Land Use, the 'Other' land use must be identified and appraiser must report whether or not it has any negative impact on value and marketability.

SITE SECTION

Well or Septic: When the subject has a private well or septic, commentary is required stating whether or not private utilities are typical for the market, and if not, the impact on marketability must be addressed.

Zoning Classification: The client requires both a zoning classification and zoning description. If there is no zoning in the area or the zoning classification is in a format other than R-1, C3, A-2, etc., commentary must be provided to explain.

Private Street: Report to provide details on whether a written private street agreement exists; Identification of the comparable being located on private or public streets is required; Commentary on market reaction to private versus public street location is to be included. When the subject is located on a private street, the client requires at least one comparable sale located on a similar private street (identified as such) or if such a comparable is not available, detailed commentary is required.

Adverse Site Conditions: Adverse site conditions must be described (busy street, power lines, air craft landing noise, etc.)

IMPROVEMENT SECTION

Condition: When the subject is determined to be in C5 or C6 (below average) overall condition, the report must be made 'subject to' the repairs/inspections necessary to bring the subject up to C4 (average) condition and the following are required:

- 1) A description of the repair/inspection items
- 2) An itemized cost estimate for the repair items
- 3) A subject overall condition rating and materials/condition ratings which reflect the 'as-repaired' condition
- 4) Comparable sales that reflect the 'as-repaired' condition
- 5) Demonstrative photos. (NOTE: If during the inspection it becomes evident that the subject condition deficiencies are such that repair is NOT financially feasible, stop and notify Suntender Valuations so that we can inform the client.)

Repairs Needed: For C4 condition or above, if there is no health and safety issues please complete the report "as is" with itemized cost to cure. If there is health and safety issues please complete the report "subject to" completion. Please provide photos for needed repairs.

C6 Condition: When the subject is determined to be in C6 (below average) overall condition, the report must be made 'subject to' the repairs/inspections necessary to bring the subject up to C4 (average) condition and the following are required: 1) A description of the repair/inspection items 2) An itemized cost estimate for the repair items 3) A subject overall condition rating and materials/condition ratings which reflect the 'as-repaired' condition 4) Comparable sales that reflect the 'as-repaired' condition and 5) Demonstrative photos. (Note: If during the inspection it becomes evident that the subject condition deficiencies are such that repair is not financially feasible, stop and notify Suntender Valuations)

SALES COMPARISON APPROACH SECTION

New Construction: For new construction, when builder sales are used as comparable sales, a disclosure and comparison of any concessions and/or upgrades for the subject and each builder sale is required to insure that a reliable comparison is made. (Upgrades included in the purchase price of a comparable are typically reported as line item adjustments for quality of construction, amenities or custom line items. These are to be distinguished from upgrades that are IPCs (Interested Party Contributions), which are seller incentives paid by the builder and should be reported as seller concessions.)

Builder Comparable: For new construction, builder comparables can be used, however, at least one comparable must be from sources other than the builder. For builder comparables, please verify the sale with the title company or attach HUD-1.

Adjustments: The client requires commentary to explain and support every adjustment, even when the adjustment is bracketed. A brief comment for each adjustment will prevent time-consuming revision requests from the client. No across the board adjustment is allowed unless it is absolutely necessary. When across the board adjustment is made, detailed explanation is needed.

Bedroom: When the subject has 1 or 2 bedrooms, at least two comparable sales with the same bedroom count are required to demonstrate market acceptance, even if it is necessary to exceed typical time and distance parameters.

Native American Land: When the subject is located on native American land, at least two comparable sales with the same property rights as the subject are required or commentary is required explaining why such comparables were not available. (NOTE: It is acceptable to use Fee Simple comparables for a Leasehold property, without adjustment, as long there is no effect on marketability. Commentary is required.)

Number of comparables: Please provide at least 3 settled sales (4 recommended) and 1 listing/pending sale (2 recommended).

Weight: The client requires the appraiser to explain how the comparable sales were weighted in arriving at the indicated value. This should be provided in the 'Summary of Sales Comparison Approach' commentary field in one of the following ways:

- 1) Estimate a percentage for the value given to each comparable sale or
- 2) Rank the comparable sales from MOST to LEAST weight given and provide a brief explanation why. (Note: Stating that all comparable sales were weighted equally is not a sufficient explanation.)

RECONCILIATION SECTION

Final Value: For purchase transaction, if final value is lower than the contract price. Detailed explanation is needed. Appraiser is asked to verify with local realtors regarding higher contract price.

COST APPROACH

The client requires the Cost Approach for all non-condominium interior assignments. (NOTE: For site condos reported on the 1004 form, only the 'Opinion of Site Value' and 'Estimated Remaining Economic Life' are required.)

SKETCH SECTION

For full appraisal (1004, 1073 and 1025), an exterior building sketch that indicates dimensions and calculations that demonstrate how the estimate for gross living area is derived

PHOTOS

Subject Photos: Include kitchen, all bedrooms, all bathrooms, main living areas of the property (such as living room, family room, dining room etc.), basement (including all finished and unfinished rooms), garage interior, pool, spa, water heater, at least one CO detector, at least one smoke detector, view,

deferred maintenance and recent updates (restoration, remodeling and renovation etc.). Blur anything related to worship. Do not include person in the photos. Interior photographs on proposed or under construction properties may be taken at the time of the completion inspection and included with Form 1004D.

Manufactured Homes: The following photos are required for manufactured homes: 1) HUD tags (exterior for each section) 2) HUD compliance certificate (interior) 3) Steel perimeter chassis (on foundation). Commentary must be provided to explain if any of these photos is missing.

Comparable Photos: Current, original (non-MLS, non-Google Map) photos of all comparables (sales, pendings and actives) are required to verify the inspection of comparables from the street. An MLS or dated photo is acceptable ONLY when a compliant original cannot be obtained (e.g. gated community, wooded site, other obstruction, etc.) In such situations: 1) In addition to an MLS or dated photo, provide the 'best' current, original photo obtainable. (Exception: Photos including people should be left out of the report, but retained in the workfile.) 2) State that the comparable was inspected from the street. 3) Explain why a supplemental photo had to be used. (NOTE: Supplemental photos should be clearly labeled as such.)

1004D Repairs: Subject's front and street photos are required.

1004D New Construction Completion: Include kitchen, all bedrooms, all bathrooms, water heater, at least one CO detector and at least one smoke detector.

ADDENDUM

Description of comparable selection search parameters/criteria (including time frame, distance, age, GLA, style, etc.) is provided. (NOTE: Dollar based search criteria is unacceptable.)

Comment is needed if final value estimate different 3% of subject's prior sale price (3-year)

CONDOMINIUM

The name of the Condo Management Group and contact information must be provided or, if not available, a description of the efforts to obtain this information is required.
Site condos must be completed on the 1073 Condo Form.

Please comment if the subject's condominium project, associated grounds, and building appear to have any features characteristic of a hotel or motel. Please add the following comment: The lender is strongly encouraged to review all of the condo project documents in order to verify the subject's eligibility for secondary market financing.

If new (or recently converted) condos, please provide at least one comparable from subject's condo project and one comparable from another condo project.

PUD

When the Subject is located in a PUD, the Client requires the following:

- 1) Legal name of the PUD
- 2) HOA monthly dues and assessments
- 3) A description of subject PUD common elements, including the condition of PUD amenities. This information should be clearly labeled and reported in commentary.

If new PUD, please provide at least one comparable from subject's PUD project and one comparable from another PUD project.

When the subject is located in a PUD, the client requires the appraiser to state whether or not all of the comparable sales are located in the same PUD as the subject. For each sale located in a different PUD, provide a detailed comparison of the common elements and amenities to that of the subject's PUD.

Multi-unit

Please provide photo and comment on CO detector, smoke detector and water heater for all units

MISC

Prior service statement and exposure time are required for 1004D
For vacant home, please comment if utilities are on and working

Please include license and E&O in the report

1004MC is required for 1004, 1004C, 1025, 1073, 1075, 2055, 2090, and 2095.