

# REAL ESTATE APPRAISAL REVIEW

*Regulatory Risk Monitor* obtained this appraisal review form from compliance officer Charles Hargrave, Mills County State Bank (\$126 million), Goldthwaite, Texas, who likes its simplicity and thoroughness. He says it's ideal for use with small loans of up to \$300,000, but not for more complicated transactions.

Date  Customer   
Note #  Amount   
Property Address

---

I have examined the attached real estate appraisal for the following requirements:

answer

- 1) The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP)
- 2) Any steps that were necessary or appropriate to comply with the Competency Provision of the USPAP were taken and disclosed
- 3) It is based upon the definition of market value as set forth in the regulation
- 4) It is written in a narrative format or on forms that satisfy all these requirements, it is sufficiently descriptive to enable this reader to ascertain the estimated market value and the rationale for the estimate, and the detail and depth of analysis reflects the complexity of this property
- 5) Prior sales of the property have been analyzed and reported in reasonable detail and within three years preceding the date of the appraisal for all other property
- 6) Current revenue, expenses, and vacancies for the property have been analyzed and reported if the property is and will continue to be income producing
- 7) A reasonable marketing period for this property has been analyzed and reported
- 8) Current market conditions and trends that will affect the projected income or the absorption period on this property have been analyzed and reported
- 9) Deductions and discounts for any proposed construction, any completed properties that are partially leased or leased at other than market rents at the date of the appraisal, or any tract developments with unsold units, have been analyzed and reported
- 10) An additional statement is included in the certification noting that the appraisal assignment is not based on a requested minimum evaluation, a specific valuation, or the approval of a loan
- 11) The appraisal contains sufficient reporting documentation to indicate to this reader the reasonableness the market value reported
- 12) A legal description is included
- 13) Personal property, fixtures, or intangible items that are not real property included in the appraisal are identified and separately valued, along with any impact they have on the market value
- 14) There is a reasonable valuation method that addresses the direct sales comparison, income, and cost approaches to market value, reconciles those approaches, and explains the elimination of each approach not used

I do (not) concur with the results therein.

Comments


---

Officer Signature

---

Compliance Officer's Signature