

# Multifamily Summary Appraisal Report

U.S. Department of Housing and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0029  
(exp. 10/31/2012)

This form is in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice for written reports, except where the Jurisdictional Exception is invoked to allow for minor deviations, as noted throughout. Additional technical direction is contained in the HUD Handbooks referenced in the lower right corner.

Application Processing Stage  SAMA  Feasibility (Rehab)  Firm  
 Property Rights Appraised  Fee Simple  Leasehold

Project Name \_\_\_\_\_ Project Number \_\_\_\_\_

**Purpose.** This appraisal evaluates the subject property as security for a long-term insured mortgage. Included in the appraisal (consultation for Section 221) are the analyses of market need, location, earning capacity, expenses, taxes, and warranted cost of the property.  
**Scope.** The Appraiser has developed, and hereunder reports, conclusions with respect to: feasibility; suitability of improvements; extent, quality, and duration of earning capacity; the value of real estate proposed or existing as security for a long-term mortgage; and several other factors which have a bearing on the economic soundness of the subject property.

## A. Location and Description of Property

1. Street Nos.		2. Street		3. Municipality	
4a. Census Tract No.		4b. Placement Code	4c. Legal Description (Optional)		5. County
6. State and Zip Code					
7. Type of Project		8. No. Stories		9a. Foundation	
<input type="checkbox"/> Highrise <input type="checkbox"/> 2 - 5 sty. Elev. <input type="checkbox"/> Elevator(s) _____ <input type="checkbox"/> Walkup <input type="checkbox"/> Row House <input type="checkbox"/> Detached <input type="checkbox"/> Semi-Detached <input type="checkbox"/> Town House				<input type="checkbox"/> Slab on Grade <input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement <input type="checkbox"/> Crawl Space	
9b. Basement Floor					
<input type="checkbox"/> Structural Slab <input type="checkbox"/> Slab on Grade					
10.	11. Number of Units		12. No. of Bldgs.	13a. List Accessory Bldgs. and Area	
<input type="checkbox"/> Proposed <input type="checkbox"/> Existing	Revenue	Non-Rev.			
13b. List Recreation Facilities and Area					

13c. Neighborhood Description					
Location		<input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural		Present Land Use _____ % 1 Family _____ % 2 to 4 Family	
Built Up <input type="checkbox"/> Fully Developed		<input type="checkbox"/> Over 75% <input type="checkbox"/> 25 % to 75% <input type="checkbox"/> Under 25%		_____ % Multifamily _____ % Condo/Coop	
Growth Rate		<input type="checkbox"/> Rapid <input type="checkbox"/> Steady <input type="checkbox"/> Slow		_____ % Commer. _____ % Industrial	
Property Values		<input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining		_____ % Vacant	
Demand/Supply		<input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Oversupply		Change In Use <input type="checkbox"/> Not Likely <input type="checkbox"/> Likely <input type="checkbox"/> Taking Place	
Rent Controls		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Likely		From _____ to _____	
				Predominant Occupancy <input type="checkbox"/> Owner <input type="checkbox"/> Tenant _____ % Vacant	

Description of Neighborhood. (Note: Race and racial composition of the neighborhood are not appraisal factors.) Describe the boundaries of the neighborhood and those factors, favorable or unfavorable, that affect marketability, including neighborhood stability, appeal, property conditions, vacancies, rent control, etc.

## Site Information

14. Dimensions			15a. Zoning (If recently changed, submit evidence)		
ft. by	ft. or	sq. ft.			
15b. Zoning Compliance			15c. Highest and Best Use as Improved		
<input type="checkbox"/> Legal <input type="checkbox"/> Illegal <input type="checkbox"/> Legal nonconforming (Grandfathered use) <input type="checkbox"/> No zoning			<input type="checkbox"/> Present use <input type="checkbox"/> Proposed use <input type="checkbox"/> Other use (explain)		
15d. Intended M/F Use (summarize: e.g., Market Rent: Hi - Med. - Lo-End; Rent Subsidized; Rent Restricted with or without Subsidy; Applicable Percentages)					

## Building Information

16a. Yr. Built	16b. <input type="checkbox"/> Manufactured Housing <input type="checkbox"/> Conventionally Built	17a. Structural System	17b. Floor System	17c. Exterior Finish	18. Heating-A/C System
	<input type="checkbox"/> Modules <input type="checkbox"/> Components				

**B. Additional Information Concerning Land or Property**

19. Date Acquired	20. Purchase Price \$ _____	21. Additional Costs Paid or Accrued \$ _____	22. If Leasehold, Annual Ground Rent \$ _____	23a. Total Cost \$ _____	23b. Outstanding Balance \$ _____
24a. Relationship (Business, Personal, or Other) Between Seller and Buyer		24b. Has the Subject Property been sold in the past 3 years? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," explain:			
25. Utilities	Public <input type="checkbox"/>	Community <input type="checkbox"/>	Distance from Site _____	26. Unusual Site Features	
Water	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/> Cuts <input type="checkbox"/> Fills <input type="checkbox"/> Rock Formations <input type="checkbox"/> Erosion <input type="checkbox"/> Poor Drainage <input type="checkbox"/> None <input type="checkbox"/> High Water Table <input type="checkbox"/> Retaining Walls <input type="checkbox"/> Off Site Improvements <input type="checkbox"/> Other (Specify) _____	
Sewers	<input type="checkbox"/>	<input type="checkbox"/>	_____		

**C. Estimate of Income** (Attach forms HUD-92273, 92264-T, as applicable)

27. No. of Each Family Type Unit	Rentable Living Area (Sq. Ft.)	Composition of Units	Unit Rent per Mo. (\$)	Total Monthly Rent For Unit Type (\$)
(a)				
(b)				
(c)				
(d)				
(e)				
(f)				
(g)				
(h)				
(i)				

28. **Total Estimated Rentals for All Family Units** \$ \_\_\_\_\_

29. Number of Parking Spaces	Offstreet Parking and Other Non-Commercial Ancillary Income (Not Included in Unit Rent)		
<input type="checkbox"/> Attended _____	Open Spaces _____ @ \$ _____	per month = \$ _____	
<input type="checkbox"/> Self Park _____	Covered Spaces _____ @ \$ _____	per month = \$ _____	
	Laundry _____ Sq. Ft. or Living Units @ _____	per month = \$ _____	
	Other _____	per month = \$ _____	
<b>Total Spaces</b> _____	Other _____	per month = \$ _____	
	<b>Total Monthly Ancillary Income</b>		\$ _____

30. Commercial Income (Attach Documentation)

Area-Ground Level \_\_\_\_\_ sq. ft. @ \$ \_\_\_\_\_ per sq. ft./month = \$ \_\_\_\_\_

Other Levels \_\_\_\_\_ sq. ft. @ \$ \_\_\_\_\_ per sq. ft./month = \$ \_\_\_\_\_

**Total Monthly Commercial Income** \$ \_\_\_\_\_

31. **Total Estimated Monthly Gross Income at 100 Percent Occupancy** \$ \_\_\_\_\_

32. **Total Annual Rent** (Item 31 x 12 months) \$ \_\_\_\_\_

33. Gross Floor Area Sq. Ft.	34. Net Rentable Residential Area Sq. Ft.	35. Net Rentable Commercial Area Sq. Ft.
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36. Non-Revenue Producing Space

Type of Employee	No. Rms.	Composition of Unit	Location of Unit in Project

36a. Personal Benefit Expense (PBE) (May produce additional revenue and expenses to be considered above and below.)

Tenant Employee-Paid Utilities Type(s) \_\_\_\_\_ Monthly Cost \$ \_\_\_\_\_

Landlord Employer-Paid Utilities Type(s) \_\_\_\_\_ Monthly Cost \$ \_\_\_\_\_

**D. Amenities and Services Included in Rent** (Check and circle appropriate items; fill-In number where Indicated)

37a. Unit Amenities

- Ranges (Gas or Elec.)       Disposal/Compactor
- Refrig. (Gas or Elec.)       Air Conditioning (central or window)
- Micro Wave                       Dishwasher
- Carpet                               Window treatment (blinds, drapes, shades)
- Balcony/Patio                   Fireplace(s) No. \_\_\_\_\_
- Laundry hookups (in units)
- Upper level vaulted ceiling/Skylight(s) No. \_\_\_\_\_
- Wash/Dryer (in units)       Security System(s) (Describe)
- Other(Specify)

37b. Project Amenities

- Guest room(s) No. \_\_\_\_\_       Community room(s) No. \_\_\_\_\_
- Sauna/Steam room(s) No. \_\_\_\_\_       Swimming Pool(s) No. \_\_\_\_\_
- Exercise room(s) No. \_\_\_\_\_       Racquetballcourt(s) No. \_\_\_\_\_
- Tennis Court(s) No. \_\_\_\_\_       Picnic/Play area(s) No. \_\_\_\_\_
- Laundry Facilities (coin)
- Project Security System(s) (Describe)
- Jacuzzies/Community Whirlpool(s) No. \_\_\_\_\_
- Other(specify)

37c. Unit Rating

	Good	Aver.	Fair	Poor
Condition of Improvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Room Sizes and Layout	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Closets and Storage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kitchen Equip., Cabinets, Workspace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plumbing - Adequacy and Condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electrical - Adequacy and Condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing - Adequacy and Condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insulation - Adequacy and Condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Livability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal and Marketability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

37d. Project Rating

	Good	Aver.	Fair	Poor
Location	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Appearance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amenities & Rec.Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Density (units per acre)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unit Mix	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of Construction (matl. & finish)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Condition of Exterior	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Condition of Interior	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal to Market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing - Vertical	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing - Horizontal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

38. Services

- Gas:  Heat  Hot Water  Cooking  Air Conditioning
- Elec:  Heat  Hot Water  Cooking  Air Conditioning  Lights/etc.
- Other:  Heat  Hot Water  Water  Other (specify)

39. Special Assessments

- a.  Prepayable  Non-Prepayable
- b. Principal Balance \$ \_\_\_\_\_
- c. Annual Payment \$ \_\_\_\_\_
- d. Remaining Term \_\_\_\_\_ Years

**E. Estimate of Annual Expense**

**Administrative**

- 1. Advertising \$ \_\_\_\_\_
- 2. Management \$ \_\_\_\_\_
- 3. Other \$ \_\_\_\_\_
- 4. **Total Administrative** \$ \_\_\_\_\_

**Operating**

- 5. Elevator Main. Exp. \$ \_\_\_\_\_
- 6. Fuel (Heating and Domestic Hot Water) \$ \_\_\_\_\_
- 7. Lighting & Misc. Power \$ \_\_\_\_\_
- 8. Water \$ \_\_\_\_\_
- 9. Gas \$ \_\_\_\_\_
- 10. Garbage & Trash Removal \$ \_\_\_\_\_
- 11. Payroll \$ \_\_\_\_\_
- 12. Other \$ \_\_\_\_\_
- 13. **Total Operating** \$ \_\_\_\_\_

**Maintenance**

- 14. Decorating \$ \_\_\_\_\_
- 15. Repairs \$ \_\_\_\_\_
- 16. Exterminating \$ \_\_\_\_\_
- 17. Insurance \$ \_\_\_\_\_
- 18. Ground Expense \$ \_\_\_\_\_
- 19. Other \$ \_\_\_\_\_
- 20. **Total Maintenance** \$ \_\_\_\_\_
- 21. Replacement Reserve (0.006 x total structures Line G41)  
or (0.004 x MTG. for Rehab) \$ \_\_\_\_\_
- 22. **Total Operating Expense** \$ \_\_\_\_\_

**Taxes**

- 23. Real Estate: Est. Assessed Value \$ \_\_\_\_\_  
at \$ \_\_\_\_\_ per \$1000 \$ \_\_\_\_\_
- 24. Personal Prop. Est. Assessed Value \$ \_\_\_\_\_  
at \$ \_\_\_\_\_ per \$1000 \$ \_\_\_\_\_
- 25. Empl. Payroll Tax \$ \_\_\_\_\_
- 26. Other \$ \_\_\_\_\_
- 27. Other \$ \_\_\_\_\_
- 28. **Total Taxes** \$ \_\_\_\_\_
- 29. **Total Expense** (Attach form HUD-92274, as necessary) \$ \_\_\_\_\_

**F. Income Computations**

30a. Estimated Residential Project Income (Line C28 x 12) \$ _____	c. Effective Gross Commercial Income (Line 32a. x Line 32b.) \$ _____
b. Estimated Ancillary Project Income (Line C29 x 12) \$ _____	d. Total Commercial Project Expenses (From Attached Analysis) \$ _____
c. Residential and Ancillary Occupancy Percentage * _____ %	33. Net Commercial Income to Project (Line 32c. minus Line 32d.) \$ _____
d. Effective Gross Residential and Ancillary Income (Line 30c. x (Line 30a. plus Line 30b.)) \$ _____	34. Total Project Net Income (Line 31 plus Line 33) \$ _____
e. Total Residential and Ancillary Project Expenses (Line E29) \$ _____	35a. Residential and Ancillary Project Expense Ratio (Line E29 divided by Line 30d.) _____ %
31. Net Residential and Ancillary Income to Project (Line 30d. minus Line 30e.) \$ _____	35b. Commercial Expense Ratio (Line 32d. divided by 32c.) _____ %
32a. Estimated Commercial Income (Line C30 x 12) \$ _____	
b. Commercial Occupancy * (80% Maximum) (See Instructions) _____ %	

\* Vacancy and collection loss rates and corresponding residential and commercial occupancy percentages are analyzed through market data, but subject by Jurisdictional Exception to overall HUD underwriting mandates.

**G. Estimated Replacement Cost**

36a. Unusual Land Improvements	\$ _____
b. Other Land Improvements	\$ _____
<b>c. Total Land Improvements</b>	\$ _____

**Structures**

37. Main Buildings	\$ _____
38. Accessory Buildings	\$ _____
39. Garages	\$ _____
40. All Other Buildings	\$ _____
<b>41. Total Structures</b>	\$ _____
42. General Requirements	\$ _____

**Carrying Charges & Financing**

53. Interest: _____ Mos. at _____ % on \$ _____	\$ _____
54. Taxes	\$ _____
55. Insurance	\$ _____
56. FHA Mtg. Ins. Prem. ( %)	\$ _____
57. FHA Exam. Fee ( %)	\$ _____
58. FHA Inspec. Fee ( %)	\$ _____
59. Financing Fee ( %)	\$ _____
60. AMPO (N. P. only) ( %)	\$ _____
61. FNMA/GNMA Fee ( %)	\$ _____
62. Title & Recording	\$ _____
<b>63. Total Carrying Charges &amp; Financing</b>	\$ _____

**Fees**

43. Builder's Gen. Overhead at _____ %	\$ _____
44. Builder's Profit at _____ %	\$ _____
45. Arch. Fee-Design at _____ %	\$ _____
46. Arch. Fee-Supvr. at _____ %	\$ _____
47. Bond Premium	\$ _____
48. Other Fees	\$ _____
<b>49. Total Fees</b>	\$ _____
<b>50. Total All Improvements</b> (Lines 36c. plus 41 plus 42 plus 49)	\$ _____
51. Cost Per Gross Sq. Ft.	\$ _____
52. Estimated Construction Time (Months)	_____

**Legal, Organization & Audit Fee**

64. Legal	\$ _____
65. Organization	\$ _____
66. Cost Certification Audit Fee	\$ _____
<b>67. Total Legal, Organization &amp; Audit Fees (64 + 65 + 66)</b>	\$ _____
68. Builder and Sponsor Profit & Risk	\$ _____
69. Consultant Fee (N. P. only)	\$ _____
70. Supplemental Management Fund	\$ _____
71. Contingency Reserve (Sec. 202 or Rehab only)	\$ _____
<b>72. Total Est. Development Cost</b> (Excl. of Land or Off-site Cost) (50 plus 63 plus 67 thru 71)	\$ _____
73a. Warranted Price of Land J-14(3)(New Constr) _____ sq. ft. @ \$ _____ sq. ft.	\$ _____ * see note 1
73b. As Is Property Value (Rehab only)	\$ _____ * see note 2
73c. Off-Site (if needed, Rehab only)	\$ _____ * see note 1
<b>74. Total Estimated Replacement Cost of Project</b> (72 plus 73a or 73b and 73c)	\$ _____

Note 1: Jurisdictional Exception: In HUD programs, land, and/or existing improvements are not valued for their "highest and best use," but instead, for their intended multifamily use (See Section J analysis below.)(Exception: Title II or VI Preservation). Offsite improvements are assumed completed in new construction land valuations (See Line M17 for estimated cost.) Unusual costs of site preparation are deducted from the "Value of the Site Fully Improved" to determine "Warranted Price of Land Fully Improved."

**H. Remarks**

(Note 2: For Rehab only: Estimated Value of land without Improvements \$ \_\_\_\_\_  
 Estimated Value of land and improvements "As Is" by Residual Method, i.e., After Rehabilitation Correlated Value minus line G 7 2 Cost of Rehabilitation Improvements equals \$ \_\_\_\_\_; line G 73b is the lesser of this residual amount, and the amount estimated by Supplemental form HUD-92264 "As Is".)

**I. Estimate of Operating Deficit**

Periods	Gross Income	Occup. %	Effec. Gross	Expenses	Net Income	Debt Serv. Reqmt.	Deficit
1. 1st ( ) Mos	\$ _____	%	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2. 2nd ( ) Mos	\$ _____	%	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>3. Total Operating Deficit</b>							\$ _____

**J. Project Site Analysis and Appraisal** (See Chapter 2, Handbook 4465.1)

- |   |                          |     |                          |    |
|---|--------------------------|-----|--------------------------|----|
| 1. Is Location and Neighborhood acceptable?                                   | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 2. Is Site adequate in Size for proposed Project?                             | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 3. Is Site Zoning permissible for intended use?                               | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 4. Are Utilities available now to serve the Site?                             | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 5. Is there a Market at this location for the Facility at the proposed Rents? | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |

6.  Site acceptable for type of Project proposed under Section \_\_\_\_\_. (If checked, acceptance subject to qualifications listed at bottom of page 6.)

7.  Site not acceptable (see reasons listed at bottom of page 6.)

Date of Inspection \_\_\_\_\_ Note: The Effective Date of all land valuations is the date of inspection.

8. Value Fully Improved	Location of Project				Size of Subject Site
	<b>Sq. Ft.</b>				
	Comparable Sales Address No. 1	Comparable Sales Address No. 2	Comparable Sales Address No. 3	Comparable Sales Address No. 4	Comparable Sales Address No. 5
Date of Sale					
Sales Price					
Size per Sq. Ft.					
Price per Sq. Ft.					
Adjustments (%)					
Time					
Location					
Zoning					
Plottage					
Demolition					
Pilling, Etc.					
Other					
Total Adjustment Factor					
Adjusted Sq. Ft. Price					
Indicated Value by Comparison					

**9. Value of Site Fully Improved \$**

10.	Value "As Is" No. 1	Value "As Is" No. 2	Value "As Is" No. 3
Date of Sale			
Sales Price			
Ft. / Acres			
Price per Sq. Ft.			
Adjustments (%)			
Time			
Location			
Zoning			
Plottage			
Demolition			
Pilling, Etc.			
Other			
Total Adjustment Factor			
Adjusted Sq. Ft. Price			
Indicated Value by Comparison			

**11. Value of Site "As Is" by Comparison \$**

**12. Acquisition Cost** (Last Arms-Length Transaction)

Buyer	Address
Seller	Address
Date	Price \$
Source	

**13. Other Costs**

(1) Legal Fees and Zoning Costs	\$
(2) Recording and Title Fees	\$
(3) Interest on Investment	\$
(4) Other	\$
(5) Acquisition Cost (From 12 above)	\$
(6) Total Cost to Sponsor	\$

**14. Value of Land and Cost Certification**

(1) Fair Market Value of land fully improved (from 9 above)	\$
(2) Deduct unusual items from Section G, item 36a	\$
(3) Warranted price of land fully improved (Replacement Cost items excluded) (enter G-73)	\$
For Cost Certification Purposes	
(3a) Deduct cost of demol. \$ _____ and required off-sites \$ _____ to be paid by Mtgor. or by special assessments	\$
(4) Estimate of "As Is" by subtraction from improved value	\$
(5) Estimate of "As Is" by direct comparison with similar unimproved sites (from 11 above)	\$
(6) "As Is" based on acquisition cost to sponsor (from 13 above)	\$
(7) Commissioner's estimated value of land "As Is" (the lesser of [4] or [5] above)*	\$

\* Where land is purchased from LPA or other Governmental authority for specific reuse, use the lesser of 4, 5, or 6.

**K. Income Approach to Value**

(1) Estimated Remaining Economic Life	Years
(2) Capitalization Rate Determined By (See Chapter 7, Handbook 4465.1)	
<input type="checkbox"/> Overall Rate From Comparable Projects	
<input type="checkbox"/> Rate From Band of Investment	
<input type="checkbox"/> Cash Flow to Equity	
(3) Rate Selected	%
(4) Net Income (Line F 34)	\$
(5) Capitalized Value (Line 4 divided by Line 3)	\$
(6) Value of Leased Fee (See Chapter 3, Handbook 4465.1) Ground Rent \$ _____ divided by Cap. Rate _____ % equals Value of Leased Fee	\$

**Remarks:** (See item 6 and 7 on page 5)

**L. Comparison Approach to Value**

7. The undersigned has recited three sales of properties most similar and proximate to the subject property and has described and analyzed these in this analysis. If there is a significant variation between the subject and comparable properties, the analysis includes a dollar adjustment reflecting the market reaction to those items or an explanation supported by the market data. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject property. If a significant item in the comparable property is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject property.   
 \*[(1) equals the Sales Price divided by Gross Annual Rent]

Item	Subject Property	Comparable Sale No.1				Comparable Sale No. 2				Comparable Sale No. 3						
Address																
Proximity to subject																
Sales price	\$	<input type="checkbox"/> Unf. <input type="checkbox"/> Furn. \$				<input type="checkbox"/> Unf. <input type="checkbox"/> Furn. \$				<input type="checkbox"/> Unf. <input type="checkbox"/> Furn. \$						
Sales price per GBA	\$	\$				\$				\$						
Gross annual rent	\$	\$				\$				\$						
Gross rent multiplier (1)*																
Sales price per unit	\$	\$				\$				\$						
Sales price per room	\$	\$				\$				\$						
Data source																
<b>Adjustments</b>	<b>Description</b>	<b>Description</b>	<b>+ (-) \$ Adjust.</b>			<b>Description</b>	<b>+ (-) \$ Adjust.</b>			<b>Description</b>	<b>+ (-) \$ Adjust.</b>					
Sales or financing concessions																
Date of sale/time																
Location																
Site/view																
Design and appeal																
Quality of construction																
Year built																
Condition																
Gross Building Area	Sq. ft.				Sq. ft.				Sq. ft.							
Unit Breakdown	No. of Units	Room count			No. of Units	Room count			No. of Units	Room count			No. of Units	Room count		
	Tot.	Br.	Ba.	Vac	Tot.	Br.	Ba.	Vac	Tot.	Br.	Ba.	Vac	Tot.	Br.	Ba.	Vac
Basement description																
Functional utility																
Heating/cooling																
Parking on/off site																
Project amenities and fee (if applicable)																
Other																
Net Adjustment (Total)		<input type="checkbox"/> + <input type="checkbox"/> - \$			<input type="checkbox"/> + <input type="checkbox"/> - \$				<input type="checkbox"/> + <input type="checkbox"/> - \$							
Adjusted sales price of comparables		\$			\$				\$							

8. Indicated Value by Sales Comparison Approach \$ \_\_\_\_\_

**Reconciliation**

Capitalization \$ \_\_\_\_\_ Summation \$ \_\_\_\_\_ Comparison \$ \_\_\_\_\_

9. The market value (or replacement cost) of the property, as of the effective date of the appraisal, is \$ \_\_\_\_\_ \*\* see note below

**\*\* Note:** For Section 221 mortgage insurance application processing, acceptable risk analysis produces a supportable replacement cost estimate, and the estimate reflected here is the replacement cost new/summation approach result. In effect, such "appraisals" are in fact USPAP "consultations" concerning supportable cost limits. For Section 207 and 223 processing, all three approaches to value are included in the appraisal, but the subject property is appraised for intended multifamily use, not necessarily its "highest and best use." The definition provided in USPAP for "market value" is generally observed, but see Handbook 4465.1, paragraph 8-4 for qualifications.

Effective Dates: For new construction or substantial rehabilitation proposals, the effective date of the improvements component estimation is the Line G53 month estimate added to the report and certification date below. The land component is valued as of the inspection date. For Section 223, the effective date of the appraisal is the same as the reporting date, but assumes (hypothetically) the completion of all required repairs/work write-up items.

Comments on: (continue on separate page if necessary)

- Sales comparison (including reconciliation of all indicators of value as to consistency and relative strength and evaluation of the typical investors'/purchasers' motivation in that market).
- Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of the subject and comparables within three years of the date of appraisal.

**M. To Be Completed by Construction Cost Analyst**

<b>Cost Not Attributable to Dwelling Use</b>		<b>Total Est. Cost of Off-Site Requirements</b>	
10. Parking	\$ _____	16. Off-Site	Est. Cost
11. Garage	\$ _____	_____	\$ _____
12. Commercial	\$ _____	_____	\$ _____
13. Special Ext. Land Improvements	\$ _____	_____	\$ _____
14. Other	\$ _____	_____	\$ _____
15. <b>Total</b>	\$ _____	_____	\$ _____
	_____ %	<b>17. Total Off-Site Costs</b>	\$ _____

**N. Signatures and Appraiser Certification**

Architectural Processor	Date	Architectural Reviewer	Date
Cost Processor	Date	Cost Reviewer	Date

I certify that to the best of my knowledge and belief:

- o the statements of fact contained in this report are true and correct.
- o the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- o I have no present or prospective interest in the property that is the subject of this report, and I have no personal interests with respect to the parties involved.
- o my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- o my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice; HUD Handbook 4465.1, *The Valuation Analysis Handbook for Project Mortgage Insurance*; HUD Handbook 4480.1, *Multifamily Underwriting Forms Catalog*; and other applicable HUD handbooks and Notices.
- o I have made a personal inspection of the property that is the subject of this report.
- o no one provided significant professional assistance to the appraisers signing this report, except for the Architectural and Engineering, and Cost Estimation professionals signing above. These professionals' estimations of the subject property's dimensions and "hard" replacement costs have been relied upon by the Appraiser and Review Appraiser.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Appraiser	Date	Review Appraiser	Date
State Certification Number	State	State Certification Number	State

The Review Appraiser certifies that he/she  Did  Did not inspect the subject property

Chief, Housing Programs Branch	Date	Director, Housing Development	Date
Field Office Manager/Deputy		Date	

**O. Remarks and Conclusions** (continue on separate page if necessary. Appraisal reports must be kept for a minimum of five years.)

Public Reporting Burden for this collection of information is estimated to average 114 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. This information is being collected under Public Law 101-625 which requires the Department of to implement a system for mortgage insurance for mortgages insured under Sections 207,221,223,232, or 241 of the National Housing Act. The information will be used by HUD to approve rents, property appraisals, and mortgage amounts, and to execute a firm commitment. Confidentiality to respondents is ensured if it would result in competitive harm in accord with the Freedom of Information Act (FOIA) provisions or if it could impact on the ability of the Department's mission to provide housing units under the various Sections of the Housing legislation.