The following outlines the appraisal documentation required on each Condominium or PUD Unit loan submitted to FHLMC. The Individual Unit Appraisal Report and Project Analysis must be signed by an appraiser approved by the Seller/Servicer submitting the loan to FHLMC. It is preferred, but not required, that each of these forms be signed by the same appraiser. FHLMC does not require the cost approach in the appraisal of an individual condominium or PUD unit; however, if the lender or appraiser desires, the Cost Approach Section may be completed.

**INSTRUCTIONS**

The following outlines the appraisal documentation required on each Condominium or PUD Unit loan submitted to FHLMC. The Individual Unit Appraisal Report and Project Analysis must be signed by an appraiser approved by the Seller/Servicer submitting the loan to FHLMC. It is preferred, but not required, that each of these forms be signed by the same appraiser. FHLMC does not require the cost approach in the appraisal of an individual condominium or PUD unit; however, if the lender or appraiser desires, the Cost Approach Section may be completed.

**APPRAISAL REPORT INDIVIDUAL CONDOMINIUM OR PUD UNIT**

This must be submitted with each individual loan and the date of the estimate of Market Value must be within ninety (90) days of the date of closing of the mortgage.

**PROJECT ANALYSIS**

This must be submitted if less than 70% of the individual units in the project or section/phase have been sold. To establish this 70% requirement, a sale under an option to purchase contract cannot be counted, and multiple sales to one owner must be counted as one sale. A section/phase is one established by the Condo/PUD documents and is of sufficient size to contain an adequate number of units to support any common elements or recreational facilities, which are included in the sale price or appraised value of an individual unit. Subject section/phase may be combined with other completed, sold and occupied section(s)/phase(s) to meet this requirement, provided all are under a common Owners Association.

**PART II:**

This must be submitted if the project is in the process of conversion or the conversion process has been completed less than two years.

**ANALYSIS OF ANNUAL INCOME & EXPENSES-OPERATING BUDGET**

This must be submitted ONLY if the project or section/phase has not been operated and managed by the Owners Association for at least two years. The upper portion is to be completed in detail by the Developer, Owner Association or Management Agent. The completion of the lower portion is the responsibility of the Seller/Servicer. It can be prepared by a staff member of the Seller/Servicer, a property manager or an approved appraiser, provided the person who signs is qualified, in the opinion of the Seller/Servicer, to make the required analysis.

To facilitate the submission, the Seller/Servicer may submit a clearly reproduced signed copy of Addendum A and/or Addendum B, if required, provided each is dated within 12 months of the date of the estimate of Market Value of the Individual Unit. If reproduced copies of the Addendum A and/or Addendum B are furnished the Appraiser, and submitted to FHLMC, the Appraiser who signs the Individual Condominium or PUD Unit Appraisal Report should note in the following Comments Section any significant changes or variances which are observed when making the inspection.

**COMMENTS SECTION**

<table>
<thead>
<tr>
<th>Date</th>
<th>Signature(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PART I:**

Project Name

Phase No.

Address or Location

City

State

Zip

If the project is not completed, discuss the proposed overall development or conversion plan and stage of completion including the number of sections, units and recreational facilities per section and the estimated completion date of each section.

Describe the common elements and recreational facilities, and comment on their adequacy, quality and condition.

Are the recreational facilities available for use by individuals other than unit owners and guests? If yes, comment as to effect on marketability.

Describe and comment on the adequacy of the following:

- Storage space
- Laundry facilities
- Trash removal
- Parking facilities
- Soundproofing material

**PROJECTION ANALYSIS**

This must be submitted if less than 70% of the individual units in the project or section/phase have been sold. To establish this 70% requirement, a sale under an option to purchase contract cannot be counted, and multiple sales to one owner must be counted as one sale. Part II must be completed if the project is in the process of conversion or the conversion process has been completed less than two years.

**Other Free Forms for Real Estate Appraisers can be found at www.e-appraise.com**

Form provided courtesy of www.e-appraise.com
## Individual Unit Room Count

<table>
<thead>
<tr>
<th>Total</th>
<th>Bedrooms</th>
<th>Baths</th>
<th>Livable Area Sq. Ft.</th>
<th>Price Range $ to $</th>
<th>Price Per Sq. Ft. $ to $</th>
<th>Monthly Assoc. Dues</th>
<th>Planned</th>
<th>Sold</th>
<th>Completed</th>
</tr>
</thead>
</table>

## Price Range

**Total Bedrooms**

**Baths**

**Sq. Ft.**

**Price Range** $ to $

**Price Per Sq. Ft.** $ to $

**Assoc. Dues**

**Planned**

**Sold**

**Completed**

---

**TOTAL**

---

Discuss sales performance to date (per phase/section, if applicable)

---

Estimated absorption time, after completion, for unsold units, at existing prices, in subject project/phase is ________ months.

Comment on any unit type(s) on which sales appear to be slow

---

Discuss project density as it compares to others in the area from a standpoint of marketability

---

State the approximate number of units currently for sale by developer in prior phases. If more than one prior phase, list for each phase

---

Discuss any rental or sales concessions being offered (if none known, so state)

---

If the developer(s) plans to retain any unsold units for rental, discuss number, voting rights and comparability of unit charges

---

Describe nearby competition including sale prices, rate of sales, sellout time, etc.

---

Describe potential for additional Condo/PUD units in nearby area, considering land availability, zoning, utilities, apartments subject to conversions, etc.

---

General comments including any probable changes in the economic base or neighborhood which would either favorably or unfavorably affect Condo/PUD sales

---

**Date**

**Appraiser(s) Signature:**

---

**Form provided courtesy of www.e-appraise.com**