

Have Questions? Email info@areappraising.com and/or call 1-888-661-2732 option 3

Instructions and Guidelines for AREA Chase Orders.

- Please do preliminary research on this property prior to inspection. If research reveals this property is a manufactured home or if the subject property proves to be different than what is on the order or you have questions about how to proceed with this order, please STOP and contact AREA by updating your ACI365.com account.

Chase Appraisal Requirements



Chase Appraisal Requirements

Preparation of Appraisal:	Chase Requirements:
Assigned Appraiser Authorized Appraiser Appraiser Trainee	Appraisal Prepared by Trainee acceptable only if counter-signed by eligible Supervisory Appraiser who has performed interior inspection of property. The Appraiser assigned to the order must inspect the property. Appraiser must be appropriately licensed in the same state as the subject property is located.
Appraiser Lender/Client Contact	Direct contact with Lender/Client and Appraiser is discouraged. However if direct contact is necessary, it must be done in accordance with the Home Valuation Code of Conduct and with Chase Policy.
Subject Information - All Appraiser Reports	Chase Requirements
Property Address	Property address matches request. Notify vendor immediately if it does not.
Borrower Owner of Public Record	Borrower/Owner of Public Record matches request: Notify vendor immediately if it does not.
Assessor's Parcel #	All acreage indicated by Assessor's Parcel #(s) is included in determination of Property's market value.
Property Rights Appraised	Collateral identified as Leasehold Property: Document comments to indicate if leaseholds are common for area, readily marketable, and any negative impact on value or marketability and analysis of terms of leasehold. . See Sales Comparison Approach - Leasehold /Fee Simple below.
Lender/Client	Name of Lender documented as:

	JP Morgan Chase Bank, NA
Currently offered for sale or offered for sale in last 12 months. Report data source(s) used, offering price(s), and date(s)	Sales history of property for past 12 months: All listing and sales activity for the subject occurring within prior 12 months of effective date of appraisal to be indicated in report (including multiple sales, listings, and price changes of subject within the 12 month period).
Analyze Contract for Sale	Property indicated as Purchase transaction: The complete sales contact MUST be provided to the appraiser. Appraiser must review contract and provide comments in report that review was performed and data fields completed. When common and customary in certain markets, and only on an exception basis, the appraisal report may be delivered prior to review of the purchase sales contract.
One-Unit Housing Trends - Declining Market Conditions narrative (including support for above conditions).	Declining Market Conditions indicated: Provide descriptive narrative comments with analysis of number of listings, average marketing time, sale:list price ratio, financing concessions. See additional requirements regarding Comparable Sales Selection in Sales Comparison Approach - Date of Sale below. NOTE: 1004MC Addendum Form effective April 1, 2009 for for all 1-4 unit property appraisals.
One-Unit Housing Predominant Value \$	Predominant Neighborhood Value: Subject Market Value outside +/-25% of predominant neighborhood value requires narrative of justification. (Rounded up/down to nearest \$1,000 is acceptable).
Site Area	Site size/area/acreage: Value attributed to site size must include all acreage of the site, and not a hypothetical portion of the property. Subject Acreage >5 acres: Comments are required to identify if the property size is "Typical" or "Atypical" to area.
Specific Zoning Classification Zoning Description Zoning Compliance Highest and Best Use	Subject should be legally permissible, highest and best use. Comparables should have same or similar zoning as subject. If subject is legal/ non-conforming: Include comments to indicate if subject is legal, common & customary for the area, effect on marketability and explanation required. Comment if can be rebuilt as same use if damaged or destroyed (including verification source). If subject located in age-restricted community:

	Provide at least one comp from the same project and at least one comp from competing project. Remaining comps may be from either the same or a competing project.
Utilities Are Utilities and Off Site Improvements Typical for the Market Area	Well, Septic, Utilities: If not Public, comment on whether or not common and acceptable in the market and any effect on marketability.
General Description One With Accessory Unit	Property with Multiple Dwellings: If subject contains 2 or more dwellings on 1 lot (except guesthouse), supply at least 2 similar comps
General Description Type Design	Product/Property Type must match Order: Notify vendor immediately if Product or Property Type of subject does not match Order.
General Description Type Design	Unacceptable Collateral: Notify vendor immediately if subject property is any of the following: Builder model homes (not occupied within 60 days), times share units, condotels, imperfect liens, Manufactured (mobile) homes, undeveloped or agricultural use land, or more than 4 units.
General Description - Year Built	If Subject is SFR New Construction: At least 1 comp is required from the subject project and 2 from competing project by different builder.
Foundation Heating Source	Alternative Heating Source: If property uses alternative heating source, comments to address if sufficient to heat entire dwelling; permanently affixed, thermostatically controlled, safe & legal; market acceptance of the heating source. Require 2 comps with same/similar alternative heating source.
Narrative Section - Additional Features	Second Kitchens: If property contains second kitchen, verify zoning is legal; second kitchens are typical for area, and/or if In-law suite with separate utilities and entrance(s). Provide cost to cure for removal if not typical. Provide at least 1 comp with similar amenity.
Narrative Section - Additional Features	Outbuildings: No value unless comps have similar outbuildings. Provide outbuilding photos of subject. Comps should bracket subject (i.e. provide one comp with

	similar outbuilding and one without outbuilding).
Narrative Section - Condition of the Property	Condition less than average (Average (-) Minus Rating or Fair or Poor): Include photos of deferred maintenance, repair items; itemized cost to cure; statement as to what repairs needed to bring subject up to average rating. Appropriate adjustments made to all comps in sales comparison grid for subject condition. Refer to "Reconciliation -This Appraisal is Made AS IS" below.
Comparable Selection All Appraisal Reports:	Chase Requirements:
Sales Comparison Approach -	Comp Similarity (all features): Comps provided should bracket subject. Include narrative explanation and adjustments, if necessary, for dissimilarities.
Sales Comparison Approach - Proximity to Subject	Proximity of comps to subject: Comps should be within the following distances to subject: Urban -0.5 miles, Suburban -1 mile, Rural -10 miles Comp (s) selected that are not within criteria above require specific explanation as to why comp(s) was/were utilized.
Sales Comparison Approach - Sales Price	Bracketing of comp Sales Prices to subject: Actual sales prices of comps should bracket subject Market Value.
Sales Comparison Approach - Date of Sale	Date of comp Sales - number and type of comps used: Provide a minimum of 3 closed sales, with at least 2 within 6 months of appraisal. Additional sales and listings may be required to support conclusions. In Declining Markets - Provide at least 1 comp sale within 3 months of effective date of report and at least 2 other sales within 6 month period (refer to Form 1004MC for additional requirements). If Subject is new construction in Declining Market: Provide at least 2 comps from outside subject subdivision (can be post -developer resales or competing builder); and narrative on occupancy trends if there are investor owned properties in the subdivision.
Sales Comparison Approach - Leasehold /Fee Simple	Comps Property Rights Assessed: If subject is leasehold property, in order to establish market acceptability, at least one comp should be leasehold property.
Sales Comparison Approach -	Lot Size/Site Size of Comps:

Site Size	<p>Comps should bracket subject lot/site size (i.e. one comp larger than subject, one comp smaller than subject).</p> <p>Report site sizes as acreage (i.e. instead of "65,340 sf, use "1.5 acres"; or instead of "70 x 165" use ".27 acres").</p> <p>If subject lot/site size is >5 acres, provide 2 comps within 20% variance in acreage or detailed commentary of search parameters used with distance & time. Provide land sales to support adjustments</p>
Sales Comparison Approach - Actual Age	<p>Age of Comps:</p> <p>Subject and comp ages should be reported consistently as all Actual or all Effective. Adjustments must be explained and justified.</p> <p>Ages of comps should bracket subject (i.e. provide 1 comp older than subject, 1 comp newer than subject).</p>
Sales Comparison Approach - Gross Living Area	<p>GLA of Comps:</p> <p>At least 2 comps provided within 20% of subject gross living area.</p> <p>Comps should bracket subject (i.e. provide 1 comp with GLA larger than subject, 1 comp GLA smaller than subject).</p>
Sales Comparison Approach - Net Adjustments Gross Adjustments	<p>Line, Net and Gross Adjustments to comps:</p> <p>Individual Line adjustments to comps not to exceed 10% Net adjustments to comps not to exceed 15% Gross adjustments to comps not to exceed 25%.</p> <p>Adjustments made outside the above criteria must be adequately explained with supporting comments.</p>
Reconciliation - All Appraisal Reports:	Chase Requirements
Sales Comparison Approach - Adjusted Sales Price of Comparables Reconciliation - Indicated Value	<p>Sale price and Adjusted sales price of comps:</p> <p>Sale price and Adjusted sale price of comps should bracket Opinion of Value of subject.</p>
Reconciliation - This Appraisal is made AS IS	<p>Appraisal of subject made "AS IS" :</p> <p>Appraisals are requested to be completed "As Is" with cost-to-cure UNLESS: construction/rehab/remodeling in progress, or items affecting structural soundness / livability, or new construction. Appraisers have discretion, based on their inspection, to make appraisal "Subject To"</p> <p>Include discussion around utilities (on/off) in REO properties.</p>
Cost Approach to Value	Chase Requirements

Cost Approach analysis -	<p>Cost Approach:</p> <p>Required if subject is New Construction or specifically requested by Chase.</p>
Exhibits/Photos/Maps:	Chase Requirements:
Exhibits/Photos/Maps	<p>Building Sketch:</p> <p>Rooms must match subject description and exterior dimensions.</p> <p>Location Map:</p> <p>Subject and all comps geographic characteristics and location indicated in detail. Include a legible street map showing the location of the subject and each of the comparable sales utilized. If substantial distance exists between the subject and comparable sales, additional legible maps should be submitted to show the location of the comparable sales.</p> <p>Photos - Subject:</p> <p>At a minimum, include clear photos of subject's front, back, and street. Additional photos may be required to substantiate information, comments, or material adjustments in the report. Descriptive interior photos are recommended.</p> <p>If property is new construction, REO, or has an estimated Market Value of >\$1MM, descriptive interior photos are required.</p> <p>Photos - Comparables:</p> <p>Front photos of all comps used in sales comparison to be ORIGINALS. If original photo not possible (i.e. comp obscured by vegetation or trees), provide appraiser's original photo and MLS photo.</p> <p>Plat Map Plat map of subject is preferred.</p>
In addition to the above requirements, the following requirements apply for the specific products/forms listed below:	
Instructions for specific products/forms:	Chase Requirements:
FHA 1004 Appraisal	<p>FHA Case # : Required before proceeding with appraisal</p> <p>FHA Appraiser : Completed by appraiser assigned the order</p> <p>FHA Remaining Economic Life: State REL as single # or range of years. Provide explanation if age <30 years.</p> <p>FHA Final Inspection:</p>

	<p>To be completed on HUD Compliance Inspection Report (CIR -HUD-92051.</p> <p>FHA report must include completed 1004MC form.</p> <p>FHA report must be completed in accordance with FHA Appendix D -4150.2</p>
Investment Property (2-4 Family) - Form 1025	Provide Operating Income Statement (216) on all investment properties.
Condo - FNMA Form 1073 Exterior/1075 Interior	<p>Comparable Selection:</p> <p>Provide at least 1 comp from the subject's project and 1 from a competing project. Additional comps may be from either.</p> <p>Subject Detached Condo:</p> <p>Provide similar detached condo comparables.</p> <p>Condo 1-4 Unit Project:</p> <p>Provide comps from similar development.</p>
Appraisal Update - Form 1004D	<p>Sales Comparison Data:</p> <p>Provide comps with supporting data using sales closed after the effective date of the original appraisal.</p> <p>Location Map:</p> <p>Subject and all comps geographic characteristics and location indicated in detail. Include a legible street map showing the location of the subject and each of the comparable sales utilized. If substantial distance exists between the subject and comparable sales, additional legible maps should be submitted to show the location of the comparable sales.</p> <p>Photos:</p> <p>Provide new photos of subject and comps with sales closed after the effective date of the original appraisal.</p>
Field Review - Form 2000/200A Section I - Opinion of Market Value	<p>Opinion of Market Value variance from appraisal report being reviewed:</p> <p>Provide 3 new closed sales comps to support variance.</p>
Field Review - Form 2000/2000A Exhibits	<p>Photos - Subject:</p> <p>At a minimum, clear photos of subject's front and street scene.</p> <p>Photos - Comparables:</p> <p>Front photos of all comps used in sales comparison to be ORIGINALS. If original photo not possible (i.e. comp obscured by vegetation or trees), provide appraiser's original photo and MLS photo.</p> <p>Location Map:</p> <p>Subject and all comps geographic characteristics and</p>

location indicated in detail. Include a legible street map showing the location of the subject and each of the comparable sales utilized. If substantial distance exists between the subject and comparable sales, additional legible maps should be submitted to show the location of the comparable sales.

If variance in Opinion of Market Value exists, provide location map indicating all new comps and all comps from appraisal being reviewed.

NOTE: If there are any conflicting requirements noted between the AREA USPAP, or Chase requirements, always adhere to the most conservative and/or restrictive requirements.

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Order Instructions

- The Market Conditions Addendum (Fannie Mae Form 1004MC) is REQUIRED and must be included with this Appraisal Report.

Order Instructions

1. Orders must be accepted or rejected immediately. Failure to do so may result in the order being revoked.
2. The borrower must be contacted within **12 hours** of order assignment.
3. An inspection date and estimated completion date must be set within **24 hours** of order assignment and Quantrix must be notified, preferably through your www.ACI365.com Account.
4. The report is due within 48 hours after inspection, or by the due date, whichever occurs first.
5. Provide status updates, vacation (blackout) dates, or profile changes via www.ACI365.com Account.
6. Return AREA Reviewer correction requests and/or needed information within **8 hours**.
7. **Appraisal reports must be completed and signed by the assigned appraiser on the order. Trainees and/or unapproved appraisers may NOT complete the appraisal report.**
8. Sufficient and convincing narrative must be given in addendum if comps are over 1 mile and/or over 6 months old and identify the search parameters used.
9. In declining markets, sufficient narrative must be given, to adequately describe market conditions and the steps you've taken.
10. Per FHA requirements, DO NOT proceed with the inspection on FHA orders until you have received the FHA case number.
11. All FHA appraisals **MUST BE** completed by the assigned appraiser. Once assigned, it cannot be transferred to another appraiser.
12. Complete all FHA final inspections on the HUD compliance inspection report HUD-92051.
13. Orders requiring a CRM approved appraiser **MUST BE** completed by the assigned appraiser. Once assigned, it cannot be transferred to another appraiser.
14. The 3 year sales history of the subject property for all 1-4 family properties must be reported and fully analyzed and described in conformance with revised USPAP requirements.
15. **DO NOT PROCEED** with an order and notify AREA immediately at 1-866 661-2732 for the following conditions:
 - a. Any delay or issue regarding this order.
 - b. The property address is different than the address on the order.
 - c. The property type is different than the product ordered.
 - d. **Research reveals the subject is a manufactured home and the product ordered is not a manufactured home product.**
 - e. Research reveals the subject is a mixed-use property (partially commercial; partially residential).
 - f. If multiple parcels are identified.
16. All existing properties should be appraised **AS IS**. If repairs/deferred maintenance/incomplete remodeling is noted, please provide

- itemized cost to cure (CTC), along with photos of these items. Include CTC on sales grid as condition adjustment.
17. For 1025 Multi-Family reports: comparable rental photos and form 216 (Operating Income Statement) are required.
 18. Reports for properties valued at over \$1,000,000.00 require interior photos.
 19. Original photos of subject and comps must be supplied. MLS photos are not acceptable.
 20. Field Reviews:
 - a. **1 unit** properties must be completed on **Fannie Mae Form 2000, dated March 2005**.
 - b. **2-4 family** properties must be completed on **Fannie Mae Form 2000A, dated March 2005**.
 21. All acreage must be included in the report.
 22. Do not discuss values or fees with the loan officer, borrower or contact.
 23. All communication regarding appraisal orders MUST be directed to AREA at 1 888 661-2732. **Do not contact the lender.**
 24. A legible copy of your license must be attached with each report.
 25. Run the Review Master provided by your appraisal software on all appraisal reports.
 26. Do not include an invoice and/or order form with your report.
 27. Deliver appraisal report using your www.ACI365.com account and send a copy of the report to: info@areappraising.com
 28. Acceptable formats include ACI and PDF only.

Thank you.

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