

Uniform Appraisal Instructions to Appraisers
For RTC Real Estate Properties

(Not Required for Residential Single Family Properties)

1. Appraisals are to be made assuming a sale on a cash basis; however, if the appraiser is uncomfortable with supplying a valuation on a cash basis because of lack of comparable sales on a cash basis, a valuation based on typical terms, as provided for in item 2 below, may be used instead. If the appraiser prefers, he/she may also value the property on both a cash basis and on a typical terms basis. RTC does not want fire sale or liquidation value appraisals.
2. Appraisals are expected to reflect values based on sales prospects considering existing economic conditions.
3. When an appraiser supplies a valuation on typical terms, these terms must be precisely defined and their contributions to or negative influence on market value must be described and estimated.
4. All appraisals are to be on an "as is" basis.
 - Estimates to complete essential repairs and to cure code violations should be provided, and the appraiser should specify whether those expenses (with a breakdown) have already been considered in estimating the property's "as is" appraised value.
6. All appraisers must clearly state the estimated marketing period in their analysis, based on comparable sales, or other market evidence such as listings and discussions with local brokers or other informed market participants.
7. The RTC expects the appraiser to provide an estimate of current market value as opposed to future market value.
8. All appraisals, including updated appraisals, must be in writing.
9. Generally, appraisals should be based on existing zoning, however, the appraiser may value the property based on both current zoning and any other zoning the appraiser feels is likely obtainable within a short period. This likelihood of the alternative zoning should be explained in the report for all cases in which the appraiser feels it is appropriate to supply both valuations.
10. When an appraiser is valuing distressed property solely on a land value basis that implies demolition or removal of improvements, the cost of demolition and/or removal should be netted against the land value with the estimated cost of removal so reflected.

1. The account officer is requested to supply the appraiser with a copy of the property's legal description, the survey, leases for income producing properties, and a three (3) year sales history including offers, listings, and options if known.
2. The appraiser should provide the amount of annual property taxes and any past due taxes in the appraisal report and comment as to their reasonableness. If high, explain the impact on appraised value.
3. The appraisal may be used for multiple purposes, such as bids at foreclosure sales, large protective advances, operating budgets, and sale of the property.
4. The appraiser should note any potential environmental hazards. For example, underground storage tanks, storage containers of known or unknown contents, evidence of waste disposal such as sludge, paints, chemical residues, oil spillage, asbestos content in building material, etc.
5. Appraisers (RTC instructions only) should note in the cover page of their appraisal report any property which has significant Natural, Cultural, Recreational or Scientific value. The criteria are as follows:

Natural Value - Properties of special significance are identified as properties within or adjacent to, National Landmarks, National Wilderness Areas, National or State Parks, National or State Wildlife Refuges, areas identified by the U.S. Fish and Wildlife service as "Critical Habitats" or other special natural features which include Wetlands, Ocean and Lake Shores, Caves, Dunes, Coastal Barrier Islands and estuaries.

Cultural Value - Properties of cultural special significance are based on criteria established by the National Register of Historic Places. (See Attachment D)

Recreational Value - Properties of recreational special significance are identified as any property that is within or adjacent to existing public recreation area or adjacent to rivers, oceans, or lake shores.

Scientific Value - Properties of scientific special significance are properties valued for scientific value or archeological importance.

6. A copy of these instructions should be made a part of the appraisal report.

MC Market Value Definition:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- o Buyer and seller are typically motivated;
- o Both parties are well informed or well advised and each acting in what he considers his own best interest;
- o A reasonable time is allowed for exposure in the open market;
- o Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- o The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

CRITERIA FOR THE NATIONAL REGISTER OF HISTORIC PLACES

properties, built before 1941, which have special significance in American history, architecture, archeology, engineering and culture and which having buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling and association and:

- a. that are associated with events that have made a significant contribution to the broad patterns of our history; or
- b. that are associated with the lives of persons significant in our past; or
- c. that embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- d. that have yielded, or may be likely yield, information important in prehistory or history.