

All Appraisals MUST be address to RFA Bank of Canada & its affiliates at 145 King Street, Suite 300, Toronto, Ontario, M5H 1J8

General Guidelines

Appraiser must be in good standing with Appraisal Institute of Canada (AIC) or Canadian National Association of Real Estate Appraisers (CNAREA), have appropriate liability/Errors & Omissions Insurance, have AACI, CRA, DAR, or DAC accreditation

Appraisal to be completed in standard form based on USPAP/CUSPAP with additional remarks about distinct/unique property features

Additional requirements

Purpose is to estimate market value for residential mortgage lending. The Appraiser must review/assess all rooms of the subject property (Bedrooms, Basement, and Garage). Property services must also be confirmed (Heating source and Amperage). On new construction properties the Appraiser must comment on % complete.

Photos Required

At least two exterior photos, front and back of the structure, and 3 interior photos, and photos of any additions or obvious deficiencies if required. Sales history of the subject property over past 36 months to be provided specifically when the property last sold and the sale price (this is Standards rule 1-5 of USPAP).

Comparable sales

Must provide time on market and must be within 6 months of date of appraisal. At least 2 comparable sales must meet the following proximity/neighborhood requirements:

- **Urban properties:** comparable properties should be located within 5km of the subject property and be homogeneous for housing market and property type
- **Rural properties:** comparable properties should be located within 30 km of the subject property and be similar to the subject property
- Map with the subject property and comparables mapped out
- At least 2 comparable properties must be a similar building type (i.e. detached, semi-detached, bedroom count, etc.).

Comparable sales adjustments should be within: Net 15% / Gross 25%. Adjustments in excess of the established tolerance are to be supported with appropriate rationale.

Value

Lending Value to be based on main house + 5 Acres Only (outbuildings not considered).

Condominiums

All 3 comparables are not to be located within the same complex, at least one comparable is to be located in a similar building/complex located within a close proximity to the subject complex.

- Market values should reflect a 90 day sale timeframe
- Any internal or external deficiencies must be listed with an estimated cost to cure, the final estimated value is reflective of the current condition of the property.
- Purchase plus Improvements only: Note any repairs/improvements the property may require as disclosed. Must have "AS IS" and "IMPROVED" market values
- Environmental Risk (if applicable) must be fully disclosed
- Must advise if UFFI, mold, K-tech plumbing is present or not