

# NEW REQUIREMENTS

## EFFECTIVE DECEMBER 1, 2015

### Due to Bank Regulatory requirements, the following changes are now in effect:

1. **Cost of the Appraisal** - is to be included in the report or a copy of the paid invoice/receipt provided to the applicant is to be submitted along with the report.
2. **All rooms** - in the subject property are to be viewed and accessed
3. **Interior Photos** - all rooms including basement must be provided
4. **Days on Market (DOM) Comparables** - include # of days (excessive dates are to be accompanied with explanation, i.e. over-valued properties, seasonality)
5. **Private Sales** - No more than 1 private sale should be used and it should not be the most comparable comp to the subject property (where applicable)
6. **Properties Under Construction** - must be at least 97% complete
7. **Outbuildings** - Interior and exterior photos are to be provided
8. **Structural Integrity** - Any structural issues (i.e. foundation, water, cracks, etc.) must have applicable photos and comments attached to report
9. **Deferred Maintenance** - A list of the work along with associated costs to the scope of work is to be included
10. **Cost Approach** - is required on all reports (with the exception of condominium/strata properties)  
Mobile Homes - if it is not on a permanent foundation, additional commentary is required (i.e skirted, tires removed, etc.)

**\*APPRAISAL MUST BE MADE OUT TO HOMEQUITY BANK**

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### PLEASE REVIEW THESE 2 PAGES CAREFULLY AS SOME OF OUR REQUIREMENTS HAVE CHANGED

#### Please do not proceed if any of the following applies:

- ✓ The client cannot provide payment at the time of inspection and another payment arrangement has not been pre-arranged.
- ✓ There is an underground oil tank.
- ✓ The subject property is located in a Flood Fringe, Zone or Plain.
- ✓ The property is zoned Commercial. (HomEquity Bank will consider homes zoned as commercial/residential).
- ✓ Any of the rooms cannot be inspected. All rooms must be viewed
- ✓ Properties under construction not at least 97% complete

#### For ALL HEB appraisals the following apply:

- ✓ Pictures are required of both front and rear of the property along with a street scene.
- ✓ All rooms must be viewed and accessed.
- ✓ Interior photos of all rooms (including those in the basement) to be provided.
- ✓ The final value must only be attributed to the house, basic garage (if applicable) and up to a maximum of 10 acres of land (see "Acreage" section).
- ✓ Do not include the value of any outbuildings such as sheds or guest homes.
- ✓ The interior of all outbuildings must be inspected and photos provided.
- ✓ Legal description.
- ✓ Lot and Site sizes: All measurements must be reported in imperial units, including lot size (frontage and depth).
- ✓ Electrical amperage (breakers/fuses).
- ✓ Age of roof/material. If almost at life expectancy, further comments are required.
- ✓ The cost approach is required on all reports with the exception of condominium/strata properties.
- ✓ Percentage complete - Construction must be at least 97% complete.
- ✓ Sales history - Comment on known agreements for sale, prior sales or listings in the last year.
- ✓ If the home has "UFFI", please indicate such but you may proceed with appraising the property.
- ✓ Structural Integrity (Foundation cracks, water seepage/staining, etc) if evident, additional comments and pictures are required.
- ✓ Deferred Maintenance - if known, please provide estimated costs associated with scope of work
- ✓ If the property has a High Land Value, further comments are required regarding the contributing factors (i.e. zoning, re-zoning, acreage, future redevelopment potential, etc.).

#### Water Source

- ✓ If type is Well: Type of well is required (i.e. drilled, artesian, cistern\*, etc.).
- ✓ If type is Lake Intake\*: please indicate if there is an Ultraviolet (UV) Filtration System in place.

*\* If water source is by lake intake or cistern, please indicate if it is common for the area and how it impacts marketability*

#### Comparables

- ✓ Minimum of 3 comparable sales to be provided.
- ✓ DOM: All comparables must include the total number of days listed on the market. If DOM are excessive please provide an explanation (i.e. over-valued properties, seasonality)
- ✓ Sale Dates: Anything older than six months should be time adjusted or an explanation regarding market conditions is required.
- ✓ No more than one private sale should be used and should not be the most comparable comp to the subject property (where applicable)
- ✓ Include a map showing the location of the comparables in relation to the subject property.
- ✓ Photos of all comparable sales are required.

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### Fuel Type (If Oil)

- ✓ Location: Please indicate the location of the oil tank (inside the home or outside, - above or below ground).
- ✓ Please indicate the age of the oil tank. The manufacturing date is stamped on newer oil tanks.

### Acreage

- ✓ If the subject property has acreage, the number of acres must be indicated.
- ✓ Maximum acceptable acreage is 160 acres.
- ✓ If more than 10 acres, the final value must include the home and 10 acres only. Additional acreage and any outbuildings are not to be included in value.
- ✓ If there are any animals/livestock on the property please indicate the type and approximate number.

### Condominiums

- ✓ Please provide the number of units in the subject complex.
- ✓ If the building is subject to any special assessment, details should be included in the Comments.

### Mobile Homes

- ✓ Client must own the land (leased land or rental pads not acceptable)
- ✓ Please provide the Serial Number, Year, Make and Model of the mobile home if available
- ✓ Comments are required if the mobile home is on a permanent foundation or not mobile (i.e. tires removed/skirted etc.)
- ✓ Mobile Home Registry number is required in the province of British Columbia.

**INCOMPLETE APPRAISALS WILL NOT BE ACCEPTED**