

### Market Conditions Addendum to the Appraisal Report

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address	City	State	Zip Code
Borrower			

**Instructions:** The appraiser must use the information required on this form as the basis for his/her conclusions and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. If data sources provide the information as an average instead of the median, then the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend						
Total # of Comparable Sales (Settled)				<input type="checkbox"/>	Increasing	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Absorption Rate (Total Sales/Months)				<input type="checkbox"/>	Increasing	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Total # of Comparable Active Listings				<input type="checkbox"/>	Declining	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Months of Housing Supply (Total Listings/Ab. Rate)				<input type="checkbox"/>	Declining	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Median Sales & List Price, DOM, List/Sale Ratio	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend						
Median Comparable Sales Price				<input type="checkbox"/>	Increasing	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Median Comparable Sales Days on Market				<input type="checkbox"/>	Declining	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Median Comparable List Price				<input type="checkbox"/>	Increasing	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Median Comparable Listing Days on Market				<input type="checkbox"/>	Declining	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Median List-to-Sale Price Ratio				<input type="checkbox"/>	Declining	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Seller-(developer, builder, etc.) paid financial assistance prevalent?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Declining	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing

Explain in detail seller concessions trends for the past 12 months (e.g. seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs condo fees, options, etc.)

Are foreclosure sales (REO sales) a factor in the market?  Yes  No If yes, explain (including the trends in listings and sales of foreclosed properties).

Cite data sources for above information.

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales, and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

CONDO/CO-OP PROJECTS

If the subject is a unit in a condominium or cooperative project, complete the following: Project Name: \_\_\_\_\_

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend					
Total # of Comparable Sales (Settled)				<input type="checkbox"/>	Increasing	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/>	Increasing	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Declining
Total # of Active Comparable Listings				<input type="checkbox"/>	Declining	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				<input type="checkbox"/>	Declining	<input type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing

Are foreclosures sales (REO sales) a factor in the project?  Yes  No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

APPRAISER

Signature	Signature
Appraiser Name <b>George W. Sparks, III</b>	Supervisor Name
Company Name <b>The Sparks Co.</b>	Company Name
Company Address <b>207 N. Clark St.</b>	Company Address
State License/Certification # _____ State <b>MO</b>	State License/Certification # _____ State
Email Address <b>sparksco@sparks-co.com</b>	Email Address