



**FORMS MANUAL INSERT**

**FORM RD 1922-7**

RD 1922-7  
(Rev. 7-90)

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT

**APPRAISAL REPORT FOR MULTI-UNIT HOUSING**

**TYPE OF LOAN:**  
RRH .....   
RCH .....   
LH .....

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**PART A. PROPERTY IDENTIFICATION**

Borrower \_\_\_\_\_  
Property Address \_\_\_\_\_  
City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Current Sale Price (if applicable) \$ \_\_\_\_\_ Date of Sale \_\_\_\_\_ Loan Requested \$ \_\_\_\_\_

Terms of Sale \_\_\_\_\_  
Property Rights Appraised:  Fee  Leasehold  Other

**INSTRUCTIONS TO APPRAISER:** The purpose of this Appraisal is to estimate the current Market Value of the Subject Property. The Definition of Market Value is the highest price in terms of money which a property will 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 the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he/she considers his/her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in cash or its equivalent; (5) typical financing in the community, as provided by Government subsidized loan/grant rates and terms or conventional lending rates and terms; (6) the price represents a normal consideration for the property sold, utilizing conventional or Government financing, unaffected by other special financing amounts and/or terms, services, fees, costs, or credits incurred in the transaction.

NOTE: Rural Development does not consider the racial composition of the neighborhood to be a relevant factor and it must not be considered in the appraisal.  
Other Information: \_\_\_\_\_

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**PART B. ATTACHMENTS**

Attach information for items 1, 2, 5, 6, 7, 8, 9, attach additional items and check box if considered appropriate for this Appraisal.

1.  Descriptive photographs of subject property  
2.  Descriptive photographs of street scene in neighborhood  
3.  Photographs of \_\_\_\_\_  
4.  Aerial photograph  
5.  Sketch or floor plan of typical units  
6.  Owner's current certified rent roll if existing or, pro forma if proposed or incomplete  
7.  Owner's income and expense statement 20 \_\_\_\_\_ or pro forma income and expense statement

8.  Map(s) \_\_\_\_\_  
9.  Plot plan or survey with legal description  
10.  Summary of reciprocal agreements with other owners for use of parking, driveways, recreational facilities, private streets (required if applicable)  
11.  \_\_\_\_\_  
12.  \_\_\_\_\_  
13.  \_\_\_\_\_

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**PART C. SUMMARY OF SALIENT FEATURES**

TOTAL NUMBER OF APARTMENT UNITS \_\_\_\_\_

CONSTRUCTION:  Existing Property, Approx. Year Built 19 \_\_\_\_\_  Proposed Construction  Under Construction

DATE OF APPRAISED VALUE \_\_\_\_\_

ESTIMATED MARKET VALUE (SEE PAGE 10 FOR CONDITIONS AND REQUIREMENTS) \$ \_\_\_\_\_  
Value: Per Unit \$ \_\_\_\_\_, Per Room \$ \_\_\_\_\_, Per Sq. Ft. of Building Area \$ \_\_\_\_\_

GROSS ANNUAL INCOME MULTIPLIER \_\_\_\_\_

OVERALL CAPITALIZATION RATE \_\_\_\_\_ %

FORECASTED GROSS ANNUAL ECONOMIC INCOME \$ \_\_\_\_\_

VACANCIES: Actual No. Vacant \_\_\_\_\_ Percentage of Total Units \_\_\_\_\_ %  
Projected Percentage of Forecasted Gross Annual Economic Income \_\_\_\_\_ %

FORECASTED ANNUAL EXPENSE AND REPLACEMENT RESERVES ( \_\_\_\_\_ % of Forecasted Gross Annual Economic Income) \$ \_\_\_\_\_

FORECASTED NET ANNUAL INCOME FROM REAL PROPERTY \$ \_\_\_\_\_

PARKING RATIO \_\_\_\_\_ spaces/unit

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Prepared by the MFH designated appraiser for housing with more than two living units under the Rural Rental Housing (RRB), Rural Cooperative Housing (RCH) and Farm Labor Housing LH) programs. Used by the approving official to determine whether the security is adequate for the loan and/or grant and the soundness of the proposed loan. Also, used to establish the estimated value in case the project is transferred, reamortized, acquired by the Government or sold by the Government, or as necessary to complete other servicing action reacquiring a determination of value.

(see reverse)

PROCEDURE FOR PREPARATION : RD Instruction 1922-B, 1944-D, 1944-E and 1965-B.

PREPARED BY : Authorize MFH Appraiser.

NUMBER OF COPIES : Original only

SIGNATURES REQUIRED : MFH Designated Appraiser.

DISTRIBUTION COPIES : To loan docket or official case file.

Instructions for Preparation

PART A - PROPERTY IDENTIFICATION

Use the street address provided by the Post Office. In the blank spaces below the address, explain briefly how to get to the property. Provide the mileage from local landmarks or city/town, give names of the roads and directions, etc.

PART B - ATTACHMENTS

Items #1, #2, #3, #5, #6, #7, #8 and #9 should always be provided for justification as part of the appraisal attachments, along with others when they are available.

#1 Indicate the direction ( North, South, etc.) that pictures are taken.

#2 Take photographs in all directions or as needed to show the property and its surroundings clearly.

#3 Take photographs for all comparable land sales, rental data and project sales, there may be 3 or 4 photos of each. The negatives can be reprinted for use on future appraisals.

#4 Check with Agriculture Stabilization and Conservation Service (ASCS) for an aerial photo of the proposed site to show unique features of the site or factors influencing value in the surrounding area. Reference to the survey and other comments should be made within the appraisal, especially, in PART F, under unsatisfied demand.

#7 Provide an updated agency approved budget or provide data required to complete form RD 1930-7, as an attachment to the report.

#8 Use local city maps to show location of shopping. Use State or regional maps to show land sales, rental data comparables and project sales in relation to the subject property. If State or larger maps are used they should be reduced as much as possible and still be legible.

#9 Include plot plan or site survey with legal description attached. These may also need to be reduced in size.

Include other attachments relevant to the appraisal, for clarity, when the appraiser is unable to provide adequate comments within the appraisal PARTS.

PART C- SUMMARY OF SALIENT FEATURES

The information in this PART will be completed from various PARTS of the appraisal report after their completion.

*Gross Annual Income Multiplier.* From PART L. This is an important indicator as to the amount an Income Property