



IndyMac BankSM

3465 Foothill Boulevard
Pasadena, CA 91107

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IndyMac Bank Appraisal GUIDELINES:

First and foremost, we require safe, habitable properties in average or better condition.

If there are repairs, a cost to cure estimate must be included. Furthermore, the cost to cure cannot exceed 3% of the value of the property or \$2,500, whichever is less. A deck or stairway that doesn't have a railing for safety will need to be corrected. Holes in the floor must be fixed.

Guidelines – UNACCEPTABLE properties:

- Multi Family – 5 or more units unacceptable
- Condo hotels
- Manufactured homes/mobile homes
- Time share unit/projects
- Unique properties (geodesic homes, earth homes, etc.)
- Properties not designed for year round residential use
- Properties that are not accessible year round
- Properties in a flood hazard area that is not eligible for the National Flood Insurance Program.
- Properties without permanently affixed heating systems
- Properties located directly on or proximate to hazardous substances or waste sites. For example, printing shops, photo finishing shops, auto repair shops and dry cleaning plants
- Properties greater than 50 acres
- Properties with security bars that do not have quick release latches
- Properties that do not represent reasonable collateral for the loan
- Properties that have been "boarded up"
- For subprime – properties listed in the past 6 months
- For subprime – properties greater than 20 acres.

Guidelines – ACCEPTABLE properties:

- Modular homes (built to UBC) These have a normal wood floor system, not a belly pan*
- Panelized homes*
- Packaged homes*
 - *These should include comparables of the same construction type if possible
- Single family residence–Attached (e.g. 1/2 plex) These are not typically part of a PUD
- Two to four unit properties
- Mixed use properties:
 - Property must be the Borrower's principal residence.
 - The owner of the property must be the operator of the business
 - The space used for business must not exceed 25% of the total square footage
 - The mixed use of the property must be legal under the zoning
 - The property must be appraised as residential real estate, with similar comparables.

Some things IndyMac Bank requires that other lenders may not:

- Compliance with USPAP
- Three-year sales and one year listing history on the subject, and 1 year on the comparables.
- Appraisal more than 4 months old will require update
- Proper form – (e.g. multi-family on 1025/72 form)

Seller must disclose to the appraiser any and all information about a security property that the seller is aware of and the information could affect marketability.

- The Seller must make the appraiser aware of sales agreements and unique issues.
- The Seller must tell the appraiser about any reports or environmental issues.

General Requirements:

- One year sale and listing history on the comparables
- Urban or suburban properties – 2 comps within a mile
- Rural properties – 2 comps with 3 miles
- 2 comparables under 6 months old
- 3 comparables for lower valued properties, 5 for higher priced
- All comparable sales must have closing dates under 6 months old, OR:
for each comparable over 6 months old, an additional listing or pending sale must be included to demonstrate what the market is now. If the guidelines can't be met, a complete explanation of why
- 442 (satisfactory completion) when required repairs are done
- Single family rent schedule on homes bought for investment
- GRM analysis on rental properties
- ANALYSIS of what has changed since the prior sale of the subject

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