

The following applies to every residential appraisal submitted to AVEO by CMLS Financial Ltd. and must be adhered to.

Appraiser(s):

Appraisers must have one of the following designations:

- Canadian National Association of Real Estate Appraisers (CNAREA): DAR
- Appraisal Institute of Canada (AIC): AACI or CRA

General:

All appraisals must be completed in accordance with the standard acceptable practices of the Appraisal Institute of Canada or Canadian National Association of Real Estate Appraisers.

- Appraisal reports are to be sent by the appraiser directly to the Underwriter.
- Client is to be CMLS Financial and for mortgage financing purposes.
- All rooms in the home must be viewed and confirmation is to be noted in the appraisal report.
- Confirm there are no adverse external factors which may affect the marketability of the property.
- The cost approach is required on all reports, except for condominium/strata properties.
- If a portion of the Subject Property is being used for a business, the appraiser is to provide the LFA used for business purposes.
- Secondary units in the subject property (if any): Confirm they are self-contained and comply with municipal standards. Include economic rents.

Comparable:

- For condos: One comparable (minimum) must be outside the subject complex.
- Should reflect arms-length transactions and must have closed within 90 days of the effective date of the appraisal.
- Must have closed and be available from MLS: Provide MLS photos & listing, along with a location map of the comps.
- Include supporting details if the net adjustments exceed 10% of the original sale price of the comparable.

Photographs:

The appraisal must contain current, clear and well-framed colour photographs of the following:

- Front and rear of subject property, along with a street scene, and any outbuildings if applicable
- Interior photos must include a photo of all rooms (including those in the basement), furnace room and furnace itself, and the open electrical panel.
- Examples of physical deterioration (if present) and recent updates (if any).

Condominiums:

- Comment on: If the complex is professionally or self-managed and, if applicable, age restrictions and percentage commercial.
- If the building is subject to any special assessment, details should be included in the comments.
- Comment on: If the complex is a condo conversion, including the conversion date.

Modified Full Appraisal Reports:

- If the appraisal is completed as a Modified Full Report appraiser must add a clause under “Extraordinary Assumptions & Limiting Conditions”
- Exterior site inspection is required, and appraiser should take photos where possible
- Appraisers are required to state that they did not complete an interior inspection and how the interior photos were obtained
- Occupants interior photos must include a photo of all rooms (including those in the basement), furnace room and furnace itself, and the open electrical panel
- Date and time stamp should be supplied by the occupants

Special Instructions:

- If the appraiser was denied access to any part of the property, they must make note of it in the report.
- New construction – The property should be 100% complete when indicating the completed value.
- Structural Integrity (Foundation cracks, water seepage/staining, etc.): If evident, additional comments and pictures are required.
- Deferred Maintenance if known, please provide estimated scope of work. Pictures are required.

Acreages / Rural Properties: (working farms are not acceptable)

- Appraiser to confirm the property has four-season access, is accessible from a publicly maintained road, has adequate sewage, water and utilities.
- Derive value based on the house and maximum 5 acres with no outbuildings.
- 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 lake intake or cistern, please indicate if it is common for the area and how it impacts marketability.*

Disclosure:

- Incomplete appraisals will not be accepted.
- Any form of confirmable misrepresentation will lead to termination of approved status, the filing of a REDX incident report and reporting to the appropriate association (AIC and/or CNAREA).