

Level of Information Detail

The information in the report must be specific to agricultural or rural setting property and mortgage financing. The report must be descriptive where necessary to ensure the user/reader of the Appraisal Report understands the subject’s legal, physical, and economic characteristics, its market, and the appraiser’s reasoning, logic, and analyses in support of the value opinion and other assignment results.

The report must include statements or summaries to identify:

Information Element	Content Requirement
Client	The client’s Identity must be stated (it cannot be anonymous, and cannot be the borrower, property owner, or their agent)
Intended Users	Must include “Farmer Mac and its agents or assigns”
Intended Use	Must include “agricultural property secured lending”
Scope of Work	Must include a summary of the extent of research, verification, and analyses completed by the appraiser
Purpose of the appraisal	Must state “Market Value”
Date of Value	Must be a “Current Date” (See CV 101.5 if a Permanent Planting Development Project is involved)
Defined Value	Must state “Market Value” as defined in Chapter CV101.1
Assumptions Etc.	Must reference and attach Form 1037 or, with client’s prior agreement, an equivalent set
Property Data	
Location	The property address, including the GPS reference
Legal Description	State the ownership interest appraised, provide the physical legal description, and confirmation that the appraised acreage matches the title report acres.
Personal Property	Provide a description. (Call Farmer Mac for guidance)
Legal Limitations	Those that affect the property utility must be stated
Physical Character	Based on an on-site inspection (See detail for exceptions)
Irrigation Information	With location, capacity, quality, supply stability and economics detail (cost of supply, operation/maintenance)
Drainage Information	With location, performance, and economic impact information detail
Property Use/ Econ.	Summarize historical uses and economic productivity
R.E. Tax/ Assessments	Provide detail of assessments and tax amounts

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Market Analysis	
Market Characteristics	Geographic, demographic, and economic information sufficient for the reader to understand market conditions, market trends, supply/demand balance and competition, and the subject's location strengths and weaknesses
Highest and Best Use	<u>Include income-producing capacity if any</u> ; if not income producing, say so and why
Market Sales Data	See chapter CV 101.4-D (2) for criteria; include sales location map with each sale with GPS references (when available)
Approaches to Value	<p>Each approach must consider the subject property as a unit. See limitations on use of built-up or value-by-summation method, and CV 101.5 if a Permanent Planting Development Project is involved.</p> <p>Sales Comparison: Required on all appraisals if an Income Approach is not completed</p> <p>Income Approach: Required when the market's response to the property is most consistent on the basis of its income producing capacity</p> <p>Cost Approach: Required when structures and/or permanent planting improvements contribute significantly to value- does not apply to a Land Property</p>
Ownership and Marketing History	Covering age of oldest comparable market sale, if longer than USPAP states
Reconciliation	Include statement of final value conclusion
Time Periods	Exposure time and marketing period differences reconciled
Certification	Content in compliance with USPAP
Signatures	Include appraiser's state or territory Real Estate Appraisal license or certification number and license expiration date

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Addenda	
Maps (in color)	<p>Plat: Annotated with legal and physical access, etc., and adjacent land uses</p> <p>Soils: With soil quality information stated or summarized</p> <p>Hazard Area: Identifying Environmental and Flood Hazard areas as applicable</p> <p>Permanent Plantings: Identifying blocks, with detail information in a table as applicable</p>
Sketches*	When applicable, showing all dwellings with significant contributory value
Photos* (Color)	Showing access, land use areas, improvements, and permanent plantings
Market Sales Location Map (in color)	Showing all sales and the subject on one overview map
Environmental Supplement	Form 1010A or equivalent, signed by the applicant or the applicant's representative
Irrigation and Drainage Information	If applicable, Form 1013A or its equivalent
Marketing Documents	Copies of the purchase agreements, options, or similar property marketing documents, (if the property is being purchased or is currently on the market)
Value Allocation*	Allocate value conclusions to primary property components and include Cost New and REL for structures, permanent plantings and any personal property. See the table at the end of CV101.5
Engagement Document	Form 1023A Engagement Letter or an equivalent fully signed document (i.e., Client and Appraiser signed).

*Applies to Improved Property Appraisal Reports only.

Note: The sequence of information elements in this table is not necessarily the sequence an appraiser might use in an Appraisal Report.