

FSA-2165, Administrative Appraisal Review Form, Job Aid

The FSA-2165, Administrative Appraisal Review Form, can be broken down into four main sections.

- Items 1 – 12. This section is often referred to as the “header” portion of the FSA-2165. The information required in this section is mandated by the Uniform Standards of Professional Appraisal Practice (USPAP) to be in the appraisal report and can typically be found on the cover and/or cover letter of an appraisal report.

[Between items 12 and 13, you will see the NOTE, also referred to as the FSA-2165 Purpose Statement. The NOTE provides you with the purpose of doing the review (reference to USPAP); who should be doing the review; and what to do about serious problems encountered when doing the review. The NOTE also serves as an indicator to you that you will now begin the more substantive, analytical part of your appraisal review. For many of the remaining items, you are required to make decisions about what you see in the appraisal report and provide comments on these decisions.]

- Items 13 – 16. This section requires you to review the appraisal report for information, supporting documentation, and other verifying data that the appraiser gathered and analyzed. This section will give you an indication of how comprehensive the appraiser’s work was, and whether an adequate level of detail was provided in the report. For each item in this section, you will review appropriate portion(s) of the appraisal report and then note your findings. In your review, you will look for the level of detail provided in the report regarding: the property and client (item 13); the neighborhood, market, and natural and environmental resources and issues (item 14); comparable sales (item 15); and subject building or improvements (item 16)
- Items 17 – 21. This section requires you to analyze the information and conclusions provided in the appraisal report. For these particular items, however, you are commenting on the appraiser’s completion of three specific approaches to value (17 – 19), the appraiser’s final value opinion (20), and a separate valuation of mineral rights (21)
- Items 22 – 24. This section requires you to provide your conclusions, decision, and certification for your review of the appraisal report.

The next page provides an illustration of the form, with callouts containing brief descriptions of these sections.

FSA-2165, Administrative Appraisal Review Form, Job Aid (continued)

This form is available electronically.

FSA-2165 U.S DEPARTMENT OF AGRICULTURE (02-18-09) Farm Service Agency ADMINISTRATIVE APPRAISAL REVIEW		1A. FSA County Office Name and Address (Including Zip Code) 1B. Telephone County (Including Area Code):	
2. Name of Applicant/Borrower		3. Subject County	4. Number of Acres
5A. Name of Appraiser		5B. License Number	5C. State Issued
6. Type of Appraiser's License Classification: <input type="checkbox"/> Certified General <input type="checkbox"/> Certified Residential <input type="checkbox"/> Licensed Residential <input type="checkbox"/> Trainee <input type="checkbox"/> None			
7. Type of Appraisal Report : <input type="checkbox"/> Self-Contained <input type="checkbox"/> Summary <input type="checkbox"/> Restricted		8. Effective Date of Appraisal	9. Date Appraisal Signed
10. Lenders Name (If applicable)		11. Classification of Guaranteed Lender (If Applicable) <input type="checkbox"/> SEL <input type="checkbox"/> CLP <input type="checkbox"/> PLP	
NOTE: The purpose of this review is to meet the recommendations set out in the Uniform Standards of Professional Appraisal Practice. The Administrative Review may only be used by agency officials, duly trained in performing administrative reviews, and granted administrative appraisal review authority. It is intended that it be completed for Farm Loan Programs direct and guaranteed loans and servicing actions requiring a real estate appraisal. ANY SERIOUS PROBLEMS, APPRAISAL ERRORS OR OMISSIONS WILL BE IMMEDIATELY REPORTED TO THE STATE OFFICE AND THE LOAN OR SERVICING ACTION WILL NOT BE APPROVED. (REPORT PROBLEMS THAT WILL SIGNIFICANTLY IMPACT THE MARKET VALUE.)		12. Source of Report <input type="checkbox"/> Guaranteed Lender <input type="checkbox"/> BPA/Contract <input type="checkbox"/> Third Party <input type="checkbox"/> FSA Staff	
13. Introductory Information Complete: (Property and legal description, client, intended user, purpose and intended use, rights appraised, scope of appraisal, highest and best use, alternative uses, easements.)			
14. General Information Included: (Neighborhood analysis and general characteristics, market area and boundaries, natural resources, sewer and water systems, potential hazardous materials, environmental issues.)			
15. Comparable Sales: (Sufficient number of recent sales described and analyzed to support the three approaches to value, maps, soils, topography, photos, construction, etc.)			
16. Subject Building or Improvements: (Adequately described, photos attached.) Building/Improvement Value: \$ _____			
17. Cost (Summation) Approach: \$ _____ (Land classes, land values supported by comparable sales, RCN supported, RCN less depreciation is improvement value, depreciation supported and properly computed, math correct.)			
18. Sales Comparison (Market Data) Approach: \$ _____ (Sales support adjustments for land, time, location, building and other adjustments, math correct, value within range from comparables.)			
19. Income (Capitalization) Approach: \$ _____ (Income and expenses supported, rates derived from sales, math correct.)			
20. Reconciliation of Value: Opinion of Market Value: \$ _____ (Did appraiser make comments as to which approach selected and why, exclusions explained.)			
21. Separate valuation of mineral rights identified in the appraisal (For FSA direct loan purposes only) <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A			
22. Is the Appraisal Acceptable for FSA's Intended Use? <input type="checkbox"/> YES <input type="checkbox"/> NO			
23. If appraisal is not acceptable the appraisal should be rejected and reported to the State Office. General Comments: (Overall quality, value determined on an informed basis.)			
24A. Signature of FSA Reviewing Official		24B. Title	24C. Date

Items 1 through 12: "Header" or identification information

Items 13 through 16: More substantive, analytical information

Items 17 through 21: Substantive, analytical information on value approaches and determinations

Items 22 through 24: Reviewer's decisions, conclusions, and certification

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