

## **Montcalm County Habitat for Humanity Policy to Determine Initial House Value**

Initial Value: "Initial Value" is the market value of the property at the time of the initial purchase as:

- i. Determined by a firm or individual acceptable to Montcalm County Habitat for Humanity (MCHFH) that is a member of the American Institute of Real Estate Appraisers or such other professional association acceptable to MCHFH or
- ii. An amount equal to the average of two (2) "broker's price opinion" provided by real estate brokers selected by MCHFH or
- iii. Two (2) times the first revised State Equalized Value (SEV) after the Borrower initially occupies the Property.

The choice of technique in determining Initial Value shall be within MCHFH's sole discretion.

Montcalm County Habitat for Humanity will use a licensed appraiser to conduct a full appraisal of each house. This person/company will be paid a normal and usual fee to remove any question of its validity. This appraisal shall be delivered to Montcalm County Habitat for Humanity prior to closing of house and shall include comparables and shall be signed by the appraiser with license number appearing on the document.

Approved, November 20, 2003