



Appraisals: What You Absolutely Need to Know

By Anna Ruotolo

- Use comps that are locationally and physically most similar to the subject property
- Comps within one mile sold within 90 days, not 15% larger or smaller in size
- Create sheet of predominant feature of home (location, view, upgrades)
- Document discrepancies with assessors data ie square footage

- The Listing Agent & Selling Agent can talk to the appraiser about ANYTHING.
- Once the appraiser sends the report in – the client becomes the bank.

How to STOP outside appraisers:

- Ask questions:
 - How far is their office from the subject property?
 - Do they have MLS data?
 - Are they familiar with the area?
 - How frequently are they in the subject market area?
 - When was the last time they were in the subject's area?

How to STOP outside appraisers:

- Uniform Standards of Professional Appraisal Practice (USPAP)
- Geographic Competence
- Listing Agent or Selling Agent CAN deny appraiser access

After you have qualified and accepted the appraiser, email him/her:

- Your predominant features list
- Full listings for 4-6 best sales and 3-4 best active listings
- Documented discrepancies with assessors data (if applicable)

Understanding Appraiser License Levels:

And their meanings with the State of California

- **AT – Appraiser Trainee** Has not met all requirements by the state to be a licensed or certified appraiser. Still under the supervision of an AL, AR or AG appraiser
- **AL – Licensed** Can appraise 1 to 4 unit properties up to \$1 million
- **AR – Certified** Can appraise 1 to 4 unit properties to any value
- **AG – Certified General** Can appraise any type of property of any amount. This license level is typically for commercial use, but the appraiser can also complete residential assignments.

License Number:

- 0 – 20,000 – pioneer member
 - 20,000 – 30,000 – 10-15 years
 - Over 40,000 – Less than 5 years
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- Example AT50007 = Trainee with less than 5 years

License Number:

- You can't deny access due to experience – only on geography
- But you can and should show up with comps and features sheet

Meet the appraiser at the property:

- Point out the features on the list
- Review the comps you used to develop the listing price

If appraisal came in low:

- Review the appraisal: Are there gross errors on comps that were used?
- Note! Most AMC's contact people are customer service reps and not appraisers. Don't get lost in translation. Be specific.
- Send in additional GOOD comps and list detailing errors (if any)
- Good Luck!