

Because

Home Matters

Appraisal and General Real Estate Newsletter

August 2010



Arbuckle Real Estate Assessments

Residential Appraisals • Commercial Appraisals

<http://www.arbucklellc.com>



The Appraisal Site Visit - What To Expect

An appraiser arrives at your home. What do you expect? In a real estate market such as we have experienced in the last couple of years, appraisals have become and will continue to be a more familiar process to buyers, sellers, and those refinancing their homes.

An appraisal, simply put, is an opinion or conclusion of value. The appraisal is developed by finding sales of properties that are comparable or similar to the property (subject) being appraised. That is, the comparables used should be the most similar sales available to help approximate the value of the subject. The sales should be similar with respect to the nature, quality, market area, and ownership as well as other specific factors such as size (living area), bedroom count, bathroom count, etc.

An appraisal is based on much research in the suitable market areas of the real estate being appraised. Information is assembled and analyzed during the appraisal process. Using their knowledge, professional judgment, and experience in the property type being appraised, the appraiser arrives at a value conclusion after making necessary "adjustments" to the comparables selected.

During the site visit, certain data must be collected about the subject. The appraiser will measure the improvements and note room locations. Depending on the instructions to the appraiser, more details may be required such as room sizes. Certain features of the property will be noted as well as their condition. Some such features are the roof, exterior and interior walls, flooring, etc. Exterior pictures of the subject will be taken. Interior pictures may be taken as well to document the condition of the subject at the time of the appraisal site visit.

To assist the appraiser in the appraisal process, the following documents will be useful to have on hand when the appraiser arrives:

1. A plot plan or survey of the property and house.
2. A copy of the deed or Cash Sale.
3. Any information on the sale of the property within the last three years.
4. Written instruments that convey any right of ways such as shared drive ways, etc.
5. Any title analysis that identifies any encroachments onto the property.
6. A list of any personal property to be sold with the home.
7. Any inspection reports such as home inspections, termite inspections, or engineering inspections.
8. A copy of the most recent Tax Assessment bill.
9. A copy of the current listing agreement and the broker's data sheet.
10. A list of the major improvements, their costs, and the dates installed since you have owned the property. These items may include the installation of a new central HVAC system, new roof, re-wiring, ceramic tile, or a kitchen renovation.

Although it is not required that the above documents be on hand, it certainly assists the appraiser by allowing them to get a much more complete "picture" of the property being appraised. Also, it is not necessary for the homeowner or their designated agents to accompany the appraiser throughout the site inspection process but they should be available to answer any questions and point out any major improvements from the list they have provided.

There is much more to the appraisal process than what there is space for in this article. But the above information should give you a general overview of the process. Different appraisal assignments may dictate variations from the above described process. We hope the above information was helpful and we will see you during the next publication of Home Matters!