

# Frequently Asked Questions – Home Appraisals

## What does an appraiser do?

An appraiser is a state licensed professional who provides an unbiased opinion of value to be used in making real estate decisions. Appraisers present their formal analysis in the appraisal report requested by their clients. Typically, appraisers are employed by lenders to estimate the value of real estate involved in a loan transaction.

## How does the appraisal process work?

First, an appraiser will contact you and you will agree upon a date for a visit to your home. During the visit the appraiser will take measurements of your home (typically outside). In addition to measuring, appraisers will determine the layout of the rooms inside, confirm all aspects of the



home's general condition and take several photos of the house for inclusion in the report.

An appraiser needs to document the condition of the interior, from the layout and features to any updates. There is no standard for the amount of time an appraiser spends at a home. A physical inspection is usually only a small part of the overall appraisal process and, typically, appraisers will be at your home for a short period of time.

To prepare for the visit, try to ensure the appraiser will have easy access to the exterior of the house by moving any items that would make it difficult to measure the structure. On the inside, make sure that the appraiser can easily access items like furnaces and water heaters. Note that housekeeping is not a factor in an appraisal, just overall condition and maintenance of the home. Interior photos will be taken, yet are not used for evaluating cleanliness or interior design – this is a realtor's job, not an appraiser's.

## Home Appraisal vs. Home Inspection

An appraisal is not the same as a home inspection. Although the appraiser documents condition and construction of a home, the appraiser is not performing the function of a home inspector. An inspector evaluates both the structure and mechanical systems of a house, such as plumbing and electrical.

## Appraised Value vs. Market Value

Appraisers are tasked with forming an opinion of market value given very specific conditions. They are forming an opinion on value to be used for lending on the property. This may not match what you think your home would sell for if you listed it for sale.

There are many variables that the appraiser must assume given the market. For example, an appraiser must use an assumption for marketing time. This may not match the amount of time you could spend selling your home. Some may want to sell faster and would take a lower offer as a result. Conversely, others may be willing to wait for the “right offer” and may get a higher sale value if they are willing to wait longer than typical marketing times.

## What if there is a square footage discrepancy between my appraisal’s measurements and my tax record measurements?

If there is a discrepancy between the Tax Record size and an appraiser’s square footage measurements, trust the appraisal. The appraiser is a licensed professional who actually visited the home and measured according to industry guidelines. The Tax District does not perform this sort of measurement and often use builder’s floor plans or rough exterior dimensions to calculate square footage.

## Will the appraised value of my home affect my property tax rate?

No. Many people mistakenly think that their home appraisal will be turned over to the tax assessor and thus their tax rate will be affected. That is not the case. The home appraisal is only used to evaluate the property for the loan and no other purpose.

## How long is an appraisal good for?

Although there is no fixed expiration date on an appraisal, most lenders consider them outdated after six months.

