

APPRAISAL TODAY

New Year's resolutions. Set goals for 2026 and plan how you will accomplish them

Writing about appraisal business topics is easy for me. I just look in the mirror... Of course, goals can be done at any time, but many of us think about New Year's resolutions so this is a good time to work on them.

In this article, I don't focus on losing weight, which is one of the hardest goals to achieve. This requires eating habits acquired over many years. Instead I focus on very specific goals, mostly business related, that you can achieve.

Write down specific goals and see how well you do during the year. This is very important. Dates are good to set also. You can revise your goals when you need to.

Start small. Pick two goals. For example, take one short CE class or Webinar to update your appraisal skills in March.

If you don't succeed, don't get discouraged. Just pick another goal or reschedule it for another month. Having strong willpower is not something we're born with.

Nothing in this article is new. I am just applying these well-known techniques to appraisers. There have been many studies showing that they really work.

I have included some personal goals. What is more important, your business or your family and friends? Don't forget your non-work personal goals, such as taking a class in something you have always wanted to learn about, such as wine tasting, wood working, having lunch with old friends or a regular "date night" with your spouse or partner.

UAD 3.6 changes

If you don't want to do UAD 3.6 appraisals consider non-lender appraisals rather than quitting appraising. You have a year to get started on it. See the article in this newsletter. Some are predicting a 50% decline in residential lender appraisers by the end of 2026.

UAD 3.6 is required by the end of 2026 for GSE appraisals. If you will be doing them, consider planning when to take classes and when you will have software available to start learning how to do them.

If you plan on using an inspection app set up a schedule now if possible. If you have never used one, you can use your current software provider's app to practice. Using the report software will be much easier with an app that works with your inspection app.

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How much time will this resolution planning take?

Taking time to write down your goals will not take much time. What is more challenging is the time to really think about them. Set aside some "quiet" time to get some ideas. Think about it while you are driving around.

There are many, many possible goals, both personal and business. Decide some that you are likely to accomplish. Write them down.

What if you don't want to do this now?

I often do resolutions at different times, using many of the ideas in this article. Whenever I do it, the ideas in this article definitely helps me get motivated.

I just picked New Year's resolution as the title of this article. Many people set New Year's resolutions so it seemed like a good time to write about goal setting. You can certainly do this at any time. But, maybe January 1 will get you inspired. I did it myself in 2015 for the first time.

Don't just say "I will do it "some-time". Instead, select a definite date and set the number of goals. For example: achieving two relatively easy business and two personal goals by March 1.

What time period to use?

Instead of doing goals for one year, you could start with 3 months. See how it goes and if it needs modification.

What is most important to you for your business?

Don't set too many goals. Is it increasing income by 2 more appraisals per month, getting new clients or decreasing business expenses by 5%. Try learning new appraisal skills, how to use your MLS or forms software better, etc.

Make a list of what you want to accomplish. It is different for every appraiser and changes over time.

Why New Year's resolutions fail

50% of Americans set New Year's resolutions.

A study by Richard Wiseman from the University of Bristol involving 3,000 people showed that 88% of those who set New Year resolutions fail, despite the fact that 52% of the study's participants were confident of success at the beginning. Fewer resolutions fail when you share them with others.

- Pick one, or a few, resolutions.
- Start with small, specific goals.
- Tell others.
- Write them down for yourself.
- Identify obstacles and possible solutions. Expect setbacks and learn to recover from them.
- Reward yourself when you accomplish your goal. For example, going to a movie or reading a fictional book, such as a mystery, thriller or any other type for a few hours. I am a big science fiction fan, but don't seem to have enough time to read much or watch scifi movies.

Share your resolutions with friends and family

You will be much more likely to do them. For example, tell your spouse or a good friend that you are going to take a vacation at least four days long in the month of May. Or, tell an appraiser friend that you will attend one meeting in March of a local appraisal group that you and he belong to and set the date.

Or, tell a local Chamber of Commerce regular that you will see her at a scheduled event in April. Or, have a spouse or friend "date night" once a month.

I have found that when I let others know about my goals, I am much more likely to accomplish my goal/resolution. Every time I speak or see the person I am reminded.

Email a weekly or monthly report to a friend, even if it only says "nothing done this month". This definitely helps.

Business resolutions

Below are examples. Setting specific dates is very important. You know what is important to you.

- Set up a budget for 2026 by the end of February.
- Bring your lunch one day of the week when working in the field (Saves time and money, plus is healthier.)
- Update your website. Select a date. Or setup a website.
- Set up your Google business profile.

- Start working on your income taxes in January or - any month prior to April 15.
- Work on getting a more positive attitude toward your clients, fees, etc. Pick one client to start with.
- Work on not getting very upset with client stupid requests. The client does not care and it takes a lot of your time and energy "steaming". Even more important, don't let it affect your family. Start with one client or one incident. Relaxation techniques and exercise can really help. I recently started doing "Mindfulness" meditation and breathing exercises. After two months I feel much less stressed out when there are problems. They are not hard to learn. You can learn online.
- Get one good new client in the first six months.
- Attend a meeting of a local appraisal group. Set the date(s).
 - Attend a local, regional, or national appraisal conference. Sign up ahead of time.
- Join a local business networking group in January. They are good for possible appraisals, plus hear how other business owners are doing.
 - Set up a local appraisers group with a few other appraisers you know by the end of February. Meet once a month for lunch.

Personal resolutions

Schedule specific times for your family and friends and don't postpone.

- Regular "date nights" with your spouse or "significant other" on the 2nd and 4th Sundays of the month.
- Regular family events, such as attending a sporting event, child's music performance or social event. Put it on your calendar.

Learn something new

UAD 3.6, how to do graphs, appraisal classes and webinars about topics you want to learn. Don't take classes just to get CE hours.

Take a non-business short class to learn something. Look for class offerings. Register for them so you will attend. There are many, many excellent free online lecture classes such as Kahn Academy and free classes from top-rated universities.

Consider doing something you used to do in the past, such as photography. Set a specific date, such as the 2nd Saturday of the month.

Local community colleges and adult schools offer short classes. Senior centers are a good place, for those over the age limit (50 in my city).

My mother took classes her entire life, in all types of topics. She never got a degree, but really wanted to learn. I have taken a lot of live non-business classes over the years in topics that interest me.

Where to get more information

This article is for appraisers. Most small business articles online discuss advice such as managing employees, updating business plans and hiring new employees, for example.

I could not find much that was relevant to smaller appraisal businesses, especially for a one person office. For your personal life, there are many resolution examples.

Communicating with non-lender clients: Very, very different from lenders!! Also, No UAD 3.6!

Many appraisers are leaving appraising now or say they will quit soon because of UAD 3.6.

There is another option: non-lender appraisals. I have been doing them since I started my appraisal business in 1986. I liked the lenders I worked for. But, the work volume was too changeable for me. Very stressful. I quit in 2005.

I wrote this article to help you decide about non-lender appraisals. Or, increase the number of non-lender appraisals you do.

Probably the most significant difference between AMC and non-lender appraisals are the fees. AMC-competitive bidding. Non-lender - few if any fee competitors.

Below I discuss the differences between lender and non-lender work. They are very, very different. Non-lender: Appraiser decides. Lender: They tell you.

I have been writing about non-lender appraisals since I started this newsletter in 1992. I have many articles available, including many about marketing.

The basic differences: Lender tells you what to do. Non-lender you ask the client why they need an appraiser. And more questions - see below.

Marketing: Lenders - get on list. Offer a low fee?. For Non-lenders many types of marketing can be used. Real estate agents are the best source of clients.

UAD 3.6

With UAD 3.6, the GSEs included requiring more data. For example: much of it does not relate to appraisals. They want more data and say that appraisers are the best source of reliable data. If you want to do GSE appraisals, you must use UAD 3.6 by the end of 2026. They will gradually start shifting from UAD 2.6 (old forms) to UAD 3.6.

EXCELLENT FREE SOURCE OF NON-LENDER TIPS, ESPECIALLY MARKETING.

Very good source of ideas for non-lender marketing by Roy Meyer. He sends out emails with links to free webinars. For example: The exact process to start getting attorney referrals and how appraisers are turning websites into clients

<https://freeappraisertraining.com/> - lists upcoming webinar. The email comes from Appraiser Insider. I assume you will be added to the list when you register for your first webinar.

Roy is well known in the appraisal community as an expert on marketing and other appraisal topics. He is an excellent presenter. He keeps up with the latest topics. I recently watched a one hour webinar on AI for appraisers - ChatGPT 5. I finally know how to use it. He used it in his appraisal business. Other presentations and articles on Chat GPT were too confusing for me. Roy's was extremely well done and understandable.

Lender vs. non-lender

We are all familiar with doing appraisals for lenders. You get the initial order information, decide if you want to do it, then bid on it. Maybe a few questions, such as borrower's phone number does not work, etc. You may have some back and forth on bidding.

Non-lender appraisals are completely different. Below is a table showing the differences.

Communication with the client is critical. For example, the person who contacts you may be an estate trustee who knows nothing about appraisals. What about communicating your report so they can understand it? Is this person the client or is it their attorney or accountant?

What does the client need? They may not know the possible effective dates. You typically do not get an order form sent to you. You must acquire the information.

Since I have been doing many types of non-lender work since 1986, I include examples from my own experience, especially on tough issues. When I started my business, I met local appraisers at SREA and AIREA meetings who helped me a great deal.

Lender vs. non-lender factors

Lender	Non-lender
How got your name	Appraiser list
Appraiser requirement	State Certified
Initial contact	Email or phone
Turn time	Lender decides
Fee payment	Bill
What is needed	Appraisal
Bid competitors	Can be many
Property access	Quickly
Effective date	Date of inspection
Number of dates	One
Turn time	Lender decides
Type of value	Market Value
Type of report	Lender defines
Cert. and lim. Cond	On appraisal form
Engagement letter	From lender
Type of appraisal	From lender
Use of appraisal	Mortgage Lending
Communicate Report	Lender decides

Wipe Fannie, FHA ,UAD 3.6 and other lender requirements from your mind!

You are subject to USPAP and sometimes legal requirements, such as IRS definition of value.

You never put UAD code or any other lender requirements into your appraisals.

You can always get comps or other data, even for difficult appraisals. If they are not very good, I explain in my report that they are less accurate than if better data was available there-fore the value is less reliable.

You never use Fannie form reports for non-lender appraisals. You use GPAR or other non-lender formats provided by your software vendor.

You set your fee, turn time, etc.

Two types of non-lender clients: Professional and Other

I have categorized them into Professional and Other. They are very different. See the table in this article.

Professionals are those have experi-ence with real estate appraisers and appraisals. Examples include attor-neys, CPAs, and Enrolled Agents. Also included are insurance compa-nies, relocation companies, public agencies, etc.

"Others" have little or no experi-ence using appraisers or appraisals. These are "private individuals".

Summary of Professional vs. Other clients

	Professionals	Others
Order communication	Not difficult	Can be tricky
What do they need?	Need to clarify	Can be tricky
Regular client	Often	Sometimes
Selling your services	Typical	Can take time explaining
Order info	Typical	Can be tricky
Who is client	Not too difficult	Can be tricky
3rd parties	Resolve issues	Can be tricky

Be sure to get the effective date(s)

For example - divorce appraisals. The effective date can be date of inspection, separation, or another date. Find out what the property was like on the effective date. Get documentation on repairs or any changes. The client may change the date and want another appraisal.

Date of death. Surprisingly, not everyone remembers, or knows this, especially if grieving. If not sure, ask to look at death certificate if possible. Or, read a reliable obituary. This date is very important for determining the effective date of the appraisal.

My experience with non-lender work

When I started my business in 1986, I had worked for an assessor's office and had never seen a Fannie form. I was open to all types of appraisal clients and uses. They were all new to me. I was a professional appraiser and knew how to appraise.

For the first 15-20 years I appraised many types of properties for many types of clients, such as:

- Attorneys - expert witness, divorce, loss in value, estate, easements, bankruptcy, etc.
- Insurance companies - improvement damaged or destroyed, missed easement, etc.
- Title company - missed easements, encroachment, etc.
- Private individuals - selling home or lot to tenant or neighbor, private sale, estate
- Commercial tenants and landlords - lease renewal, disputes
- Relocation companies - future value
- Government agencies - often a possible sale or purchase

- Consulting - whether to buy or sell, reasonable price on listing, financial planning, etc.

Over time, I decided the types I preferred were estate/trust and private individuals.

Why do I like estate appraisals? My husband, sister in law, and mother died within a month of each other. I knew what the remaining spouse was feeling. I always allowed time for them to speak about whatever they wanted.

Also, expert witness testimony is seldom required. I did expert witness testimony for a while. It was okay for me, but I did not like working with the attorneys. They want to win. The appraisers I knew who liked expert witness wanted to be on the winning side. I will work for either side.

Who is the client?

This is a very critical question as it determines who you owe confidentiality to and who pays your fee.

This can be tricky. If a divorce, is it the husband's or wife's attorney, or both attorneys. If an estate, in my area it is often the executor or trustee, who pays the fee.

I recently was interviewed by two opposing attorneys who had two appraisals on a 4 unit property that were very different and the two brothers could not agree on a value. They were looking for a third appraiser.

One of the brothers did all the management and repairs and he definitely had a conflict of interest as the value was based on the income and expenses.

The initial contact by a prospect

The person may or may not know much about appraisers and appraisals. They often confuse real estate agents and appraisers. Over the years, appraisers have not been telling people what they do. Match your communication with who they are. Be sure to ask if they have any questions.

You are the expert and need to tell them why. For example, "I have done many appraisals over the past 15 years in your neighborhood." Or, "I live in Alameda and know the market very well (for an Alameda property).

Don't forget selling and closing. Always ask for the assignment, such as "when would you like to schedule an appointment at the house" or "I will email you an engagement letter tomorrow."

As you can see below, there are a lot of questions that are not asked when doing a lender appraisal.

When I get an email inquiry, I ask for the address so I can check out public records for the property. I also do street and aerial views. If it is a phone call, I run public records while speaking with them to get basic information.

How did they get your name? I have always asked this question when anyone calls me so I can thank the referrer and know what marketing is working for me. This is critical for marketing purposes. If a referral, who is it from (so you can thank the person). About half of mine come from "the internet". They seldom remember how they got my name (probably Google)

What is their connection to the property? Owner, trustee, attorney, accountant, tenant, seller, etc.

Why do you need an appraisal? Maybe they want to list their property (a common situation). I suggest contacting local real estate agents. If they need a referral, I give them two names.

What is the actual address? It is not unusual for the address they give to not match public records. You can get more info while you are speaking on the phone.

Who is the owner? I check public records and ask if this is the owner and the correct address. There may be multiple owners.

Other questions:

How do you get access to the property?

Who is the primary contact person(s)?

What is the effective date of the appraisal?

More questions below.

What are you appraising?

You are appraising the land and the structures on the land.

The first question is what are the lot dimensions. Assessor's office plat maps are not a legal description. Lender appraisers can sometimes have problems with this.

This can be unclear. Many people, including attorneys, don't know this.

Having a current title report available is unusual. Sometimes there is an old one.

If I am not clear on the property boundaries, I always require a legal description. Fortunately, my MLS supplies deed recordings for a nominal fee. For example, I was asked to appraise an apartment property built partially on an old sea wall built in the mid-1800s. The assessor's plat map was not accurate. I obtained the legal description, went to the property and followed the metes and bounds description.

I may require a survey, particularly if in a rural or semi-rural area.

In my city, it is not unusual for people to own adjacent properties. Sometimes improvements such as garages are built on (overlap) both properties.

Leased fee or fee simple? Is there a tenant (commercial properties usually)? If so, I require a copy of any current leases and any older leases. If a home, is it on leased land? Are there any easements?

Highest and best use (HBU)

I was trained at an assessor's office. The first question on every property was "what is the highest and best use". We always did a land appraisal, which made this clearer.

Unfortunately, most residential lender appraisers just "check the box" and seldom encounter (or see) this issue. They have been trained not to see it. If the HBU is not the current use, the lender may not want to do the loan and you lose the appraisal order.

When you see two appraisals that are very different in value, it can be a HBU issue.

For commercial properties, the current use may or may not be the HBU, as uses change over time.

HBU may be affected by planning and zoning requirements, changes in nearby properties, etc.

When appraising raw land or a property with a large lot or acreage, be very careful.

I strongly suggest taking a class in HBU for residential with case studies. I recommend live or virtual as HBU is a difficult topic.

Having another appraiser to call is very, very helpful for HBU issues. Several local residential appraisers call me when they have a problem. Over the years, I established relationships with other appraisers.

You need to have someone to call. Maybe you know an appraisal instructor or another very knowledgeable appraiser who can "think out of the box" of lender appraisals.

It is best to have a local appraiser. Online is possible, if it is a local discussion group. Unfortunately, online HBU (and other) issues deteriorate quickly and participants don't know your local market.

Value pressure - high or low

I prefer to know if they are "looking for" a high or low value so I can write appropriate comments in my appraisal report. Some appraisers do not want to know.

I prefer to make it clear up front that I use the most probable sales price (bell shaped curve), not the highest or lowest. Then, they can try to find a "deal maker" appraiser if that is what they want.

It is somewhat unusual not to have a client who prefers a high or a low appraisal, for various reasons. For example, for a private sale, the buyer prefers a lower value and the seller prefers a higher value.

For estates, most of my appraisals are to establish a value when the first spouse passes for a step-up in basis for capital gains purposes. When my husband died, I saved hundreds of thousands of dollars of capital gains taxes when I sold our house 4 years later as prices had gone up significantly. If the second spouse dies, a lower value is preferred to reduce capital gains. There is more pressure on lower values.

This is particularly important for attorney clients who often have the most value pressure. They want to win. I have lost some attorney clients for not making my appraisal fit what they wanted.

What about apartments where there can be little information available as the person is deceased?

Usually, you ask your client to find out the rents and expenses on the effective date of the appraisal. If there is a property manager, it is easy. If it was managed by the deceased, records they can find may be spotty. This is not unusual. You just have to do the best you can.

The family members sometimes have limited information as they have not recently seen the properties. For example, to confirm which utilities were separately metered, I often count the meters. But, they could not find the water meters. There was also a problem with a non-legal unit. Both required that I do additional research.

A few years ago I appraised 15 properties, including 12 apartment properties, where the owner fell down the basement stairs, hit his head on concrete and died. (Note: Ever since then I have been very, very careful going down basement stairs.) His two sisters came from New Orleans to handle the estate. There was limited information available as he managed the properties himself.

The value was relatively current, so the clients obtained information on the current rents that were being paid, utility bills, etc. The city building department had records on any repairs done with permits.

Of course, this additional work was reflected in my fee.

Scope of Work changes

This happens sometimes with lender appraisals, but is fairly straightforward.

Be sure you get your Scope of Work carefully explained to your client, especially if an "Other" client.

Non-lender scope of work can have changes, sometimes significant, after you get the appraisal order. The changes can affect your fee.

For example, you start your preliminary research and find out that the property does not conform to current zoning and planning requirements. It will take more time to determine if it does conform (measuring improvement locations, getting a survey, etc.)

Rent surveys for homes and your fee

Sometimes market rent is needed for a home: current and/or retrospective. This can be needed for estate and divorce appraisals. The farther back in time, the higher my fee. This information can be difficult to obtain. I have gone back as far as 20 years, with an estimated market rent for each year.

I charge by the date. For example, 20 annual estimated rents. I use a Bay Area rental service with data that far back. It is not cheap and I pass that cost on to the client.

I also need any changes to the property over time, affecting the rent.

Retrospective appraisals: How far back in time - available sales, property changes and your fee

For me, the most difficult information to obtain is what the property was like on the effective date of the appraisal.

Your fee (and whether or not you accept the assignment) depends on what information is available on the subject as of the effective date and if you have (or can get) sales data.

If the effective date is in the 1960s (or earlier), for example, often local newspapers are used. Sales prices are available on public records, although it may take some searching.

If the property has changed after the effective date, I often interview the most knowledgeable person. Then I go with them to inspect the property, looking for any improvements. I look for new paint and floor coverings, new roof, remodeling, etc. It is easier to do when at the property.

If the property has been sold, or demolished or had significant damage, I interview the listing agent (sale), neighbors, etc.

I received a call from a woman whose spouse died in January 2002. They purchased the home in 1966 and she sold it in 2018. To avoid capital gains taxes, she needed an appraisal for the 2002 date. I have MLS data going back that far, plus the subject was listed, so I was able to get information on the condition of the home when it sold. I looked at permit histories, interviewed the real estate agent and the owner, to estimate what it was like in 2002. The home had been fixed up and staged for sale but I was unable to see the interior. There were some floor plan issues.

Another home I appraised had turned from a crack house (on date of death) into a completely remodeled home. The property had been sold and access was not available. The owner's grandson had moved in and done drug dealing. A relative had remodeled the home with spotty information. I interviewed relatives, neighbors, listing agent, etc. and did the best that I could do.

In most states, how far back you can go in time for a retrospective value does not have significant data issues. Assessment information is very useful. However, I am in California where assessment data has not been updated since 1979 for most properties. Proposition 13 in 1979 eliminated any increases in assessed value except for market conditions (up and down), new improvements and a sale of the property.

For values prior to 1980 I tell the owner to contact the assessor's office to get property data and then consider using the assessor's office value close to the effective date.

Effective date (s) of appraisals - current, retrospective and prospective

This is key factor for some appraisals. Be sure you get the date(s) correct.

Clients need retrospective appraisals for many reasons. For divorce, it can be the current date, date of separation, dates when improvements were made, etc. or any combination of the above dates.

For damaged properties, the client may need current and "as of" date of damage.

A few years ago, I did an estate appraisal for a 56 unit apartment property. The client was paying significant capital gains taxes. Values had declined, so I recommended using the 6 months alternate valuation date, 6 months after the date of death.

All of their properties had to have the same effective date. The family home had gone up in value, but not the apartment property. One month before that date, there was a significant rent control vote, with two competing measures. One was the current rent control, relatively weak, instituted one year before. The other measure would have meant one of the strictest rent controls in the country in Alameda. Of course, there was no interest in the property until after the vote. I submitted 100+ page reports for the date of death and alternate valuation date. They saved tens of thousands in capital gains tax.

In your state, the assessor may have good information for old effective dates without MLS data or other records.

Are any property reports available?

I always ask and include the request in my engagement letter. I prefer to get anything I can. I know few appraisers who say they got too much.

I ask for (depending on the property) structural pest control inspections, cost and dates of improvements, income and expenses, home inspection reports, environmental reports, easements and other use restrictions, building plans, etc.

Fee payment - COD, billing, etc.

Who is paying for your appraisal? You must get that information. How paying - check, credit card (if you offer credit card payments).

For homes I usually collect a check at the home on the day of inspection and provide a short Engagement Letter (if I have not already sent one). For assignments that are over \$1,000, I require 50% in advance and 50% before they get the appraisal(s).

I never discuss the value, or release the appraisal, until I am paid.

Billings can sometimes be difficult to collect. I always require payment from private individuals as collecting from them is tricky due to collection laws. I learned this soon after starting my business. I could not collect my payment. I considered it a good lesson and never made that mistake again.

Extending credit to attorneys can be risky as it does not cost them much to delay payment requests, especially if they lose their case. I prefer not to extend credit for new attorney clients, particularly for litigation. They can also be slow paying. I request a hefty retainer.

Public agencies are notoriously slow paying. They do pay, but it can take a long time. If you are thinking about working for a public agency, check with local appraisers about how promptly they pay.

What is your fee?

If someone's first question is "what do you charge" it very seldom results in an assignment. There is always someone cheaper.

In today's very slow lender appraisal market many lender appraisers are trying to get non-lender work with very low fees. You must explain why the client should hire you for a higher fee. They don't want to fail an IRS audit on their estate tax return.

As you can see in this article, you should be charging significantly more for non-lender appraisals than for lender appraisals. For example my house fee for estates is \$900 with the typical lender fee of \$600.

I never quote a fee before I get my critical questions answered. I do not like to increase the fee after accepting the assignment, but I have done it.

Sometimes I just return the fee as the appraisal is getting too complicated with difficult issues. I recently returned two \$1,500 checks for apartment appraisals that got too complicated with issues I did not want to deal with (fighting brothers - one was the property manager, "hidden" life estate that was in a document I had).

I have returned fees in the past from "crazy people" who were a big nuisance after inspecting the property. Often, I was not the first appraiser to return the fee.

Turn times vary widely

Wipe from your mind lender turn times. You decide your turn time, not the client.

I always ask if the appraisal is needed by a certain date, such as filing an estate tax IRS form.

Attorneys sometimes just want to name you as an expert witness. They don't know when, or if, they will need an appraisal.

I prefer not to give a definite date for sending the appraisal as I never know for sure how long it will take. Also, then I am not "locked into" a specific date.

If the client needs an appraisal by a specific date, such as filing a tax return or other reasons, I will accept it if I can complete it by the specified date.

I always do bail bond appraisals as fast as possible. All cash, up front, significantly higher fees. But, sometimes I must put my other appraisals on hold to complete them.

Time from initial contact to delivering appraisal can be a very long time

That is why I don't like to give turn times.

Sometimes there is more than one contact person. Coordinating can be a challenge.

Client does not return multiple emails or phone calls. Attorneys seem to be particularly bad about this.

Waiting for signed engagement letter with payment can cause a delay.

Waiting for information from the client such as reports, deeds, income and expenses, etc..

Delayed access to the property is not unusual. I appraised 5 small apartment properties for 4 brothers who were trying to decide what they wanted to do with them. Took 3 months to get access to 4 of them, then another 2 months to get access to the 5th property.

Engagement letters

There are two basic types of engagement letters: litigation and non-litigation.

For non-litigation on one property, such as a house, I use a simple letter, especially for "Other" clients.

For Professional clients I use something similar to the Appraisal Institute's suggested letter. Google Appraisal Institute Engagement letter. Liability Insurance Administrators has a similar sample.

I wrote about litigation engagement letters in a previous article on expert witness. They are often many pages long (20-40 pages). Many appraisers receive suggested letters from their litigation attorney clients. I have received a few.

Insurance companies

This is typically for a completely destroyed property. If there is a disaster, appraisers are needed.

You may need two values: before and after the incident. Be sure you have the correct effective date(s).

If you are required to do this after a fire be sure to find out how far prior to the fire. This can be difficult and controversial. Get a copy of Randall Bell's book, Real Estate Damages, Third Edition available on Amazon. He is The Expert.

I have not done any disaster appraisals, but know many appraisers who have. You can find good information online as there seem to be increasing disasters. Check with other appraisers and see how they are handling the disaster appraisals.

Determining what the property was like before it was destroyed is very difficult, especially if all that is left is the fireplace and maybe the foundation. You have to do the best you can.

I did an appraisal on a local popular restaurant that had a fire. What was left was completely demolished and removed before I saw the property. I was one of the few locals who had never eaten there. I contacted the owners for photos, spoke with many people who had eaten there, checked building department and assessor's records, etc.

I have never done one for a home. There was a disaster here in 1991 (Oakland, CA firestorm). I had done many appraisals of homes there that were destroyed. I could not even find them as all that was left was fireplaces (the foundations were destroyed). It made me so sad, I was unable to work there for two years.

Unfortunately, the best source of

info was family photos. But, many residents left them behind when they fled the fire.

Appraisers used assessor's and building department records, previous listings, family interviews, etc.

Public agencies

These appraisals can take a long time to get a contract, plus a long time to get paid. For larger assignments, they sometimes send out multiple bid requests. I have an MAI and get a lot of them.

I have worked for two local cities. I was requested to appear and possibly testify at a city council meeting, but was not called to speak. I was the only bidder on the two appraisals I did. One was for a fire station and the other was a residential property.

I decided not to do any more as I did not like the hurry up and wait, but they may work for you.

Should you do non-lender work?

Some residential appraisers do both lender and non-lender work. This is what I did until I quit doing residential lender appraisals in 2005, primarily because of the wide swings in volume of lender work.

If you specialize in high demand, very good fee appraisals such as divorce, you may be able to only do non-lender work. I have always done both commercial and residential appraisals, which has allowed me to eliminate residential lender appraisals.

I like figuring out the various "puzzles": who is the client, what is being appraised, highest and best use, etc. I don't mind dealing with the communication issues.

Appraisal Today

ISSN 1066-3900

Appraisal Today is published 12 times per year by Real Estate Communication Resources.

Subscription rate: \$99 per year,
\$169 - 2 years, \$8.25 per month,
\$24.75 Quarterly

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M,T,W 7AM to noon
Friday 7AM to 9 AM (Pacific time)
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I specialize in estate and trust as that is what I prefer. I feel "called" to help people who have had someone die and have personal experience with it (spouse, mother, brother, favorite in-law). I always take time to let them tell me about the person who passed, family issues, etc. In contrast, divorce appraisals had too many "personal" issues for me. But, I have never been divorced. Maybe you are "called" to a particular type of non-lender client also.

Try an estate, relocation, sale to a tenant or friend, or another type of appraisal to see how you like it.

AMCs do not care about quality. They focus on fee and turn time. You have time now to consider non-lender clients who see you as a professional appraiser and are not shopping for the cheapest and fastest appraisals.

