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APPRAISAL TODAY

UAD 3.6 and the "Tablet Question"

By Doug Smith, SRA

Editor's Notes: Printed Property Checklists . are sent separately from this newsletter as sepate PDFs when you received your email notice of new monthly newsletters. They are also available on the paid subscriber page at www.appraisaltoday.com/toby

More information on the check lists are at the end of this article.

I also include copies of the sample reports for SFR, Condo and 2-4 units included so you can compare the check lists to the sample reports.

There's a growing chorus of frustration:

"If I have to use a tablet in the field, I'll quit."

Or, "I'll only work for clients who don't require UAD 3.6."

The concern is understandable. But before reacting too quickly, it helps to step back and actually study the process.

One exercise I strongly recommend is this if using Total:

Open the TOTAL version of UAD 3.6 and, before entering a single piece of data, click on the E&O checker.

Immediately, over 300 entry fields become highlighted.

That alone should give every appraiser pause. The issue is not simply learning a new form. The issue is understanding the sheer volume of structured data now being requested. Many of these fields are handled easily through dropdown menus and predefined responses. But many others require detailed observations, explanations, comments, and supporting narrative.

Editor's note: if you don't use Total see if your software can do something similar.

That reality changes the inspection process itself.

The traditional method of scribbled notes on a clipboard followed by reconstruction back at the office becomes increasingly inefficient under UAD 3.6. The inspection process is moving away from "memory reconstruction" and toward organized field verification supported by structured observations, photographs, and commentary completed in real time.

This is one of the strongest arguments for technology-assisted inspections.

The major advantage is not the tablet itself. The advantage is the workflow.

Dictation becomes enormously important. In Windows, simply pressing the Windows key + H activates built-in voice dictation. A spoken observation can often be entered faster and more accurately than handwriting field notes and later attempting to decipher them back at the office.

IN THIS ISSUE

For users of the Apple iPad Pro with an attached keyboard, dictation is equally simple. Pressing the microphone (dictation) key on the keyboard - or, on many keyboards, pressing the Globe key (??) + D - activates voice dictation directly into the active field. This allows room-by-room observations and comments to be entered quickly while maintaining the inspection flow.

The practical advantage is substantial. Instead of stopping repeatedly to handwrite notes, the appraiser can verbally document observations in real time while moving through the property. Under UAD 3.6, where the number of required data points and comments has expanded significantly, this can materially improve both efficiency and completeness.

The second major advantage is the combining of checklists with photographs.

Instead of relying on memory, the appraiser can work through the property systematically:

- Checklist item
- Observation
- Photo
- Comment
- Move to the next section

That structure reduces omissions, improves consistency, and creates stronger workfile support.

The first step is simple: put UAD 3.6 up on your screen and go through it page-by-page. Most appraisers will quickly discover it is more logical and organized than current rumor and discussion suggest.

Once templates are developed and dropdown responses customized, many portions of the process actually become easier than before. Information is entered once, organized systematically, and no longer dependent on memory or difficult-to-read notes.

In many cases, substantial portions of the report may already be complete upon returning to the office - or, in some assignments, nearly finalized in the field.

On Cost

Because of constant hardware upgrades, there is now a strong secondary market for fully functional tablets in the $300 range or less. For UAD 3.6 field entry and photo capture, the newest or most expensive model is generally unnecessary.

Compared to MLS dues, CE, E&O insurance, and software subscriptions, this becomes a relatively modest one-time investment.

On Support and Setup

Most appraisal software companies already provide:

- Mobile setup assistance
- Instructional videos
- Startup guides
- Technical support

The learning curve exists. But it is manageable.

The key is not mastering everything at once. The key is developing a workflow that fits your own practice style.

Practical Alternatives: Completing the Inspection Without a Tablet

Not every appraiser will want to carry a tablet through a property. Fortunately, workable alternatives exist.

Laptop Workflow

Use a lightweight laptop and enter data room-by-room, from the vehicle, or after walking the property.

Printed Report Pages

Print inspection sections, mark observations during the walkthrough, and transfer information later.

Structured Checklist System

Develop a detailed checklist aligned with UAD 3.6 fields and follow the same inspection order every time.

Photo Sequence Method

Create a standardized required-photo order to streamline both upload and report narrative flow.

Audio Dictation Workflow

Dictate observations in the field, convert speech to text, edit, and paste into the report.

Hybrid Workflow

Photos via phone, checklist notes during inspection, final entry at the office workstation.

All of these systems can work effectively.

The Bigger Picture

What many appraisers are really reacting to is not the tablet. It is the realization that UAD 3.6 represents a significant shift toward structured reporting and machine-readable appraisal data.

It is still unclear how long legacy UAD 2.6 forms will remain in widespread use. Industry discussion suggests the traditional 1004 may undergo major revision or replacement over the next several years. Software companies appear to assume the transition will be seamless. From the field, it may not always feel that way.

But appraisers have adapted before:

- Electronic delivery
- Digital signatures
- MLS evolution
- Regression tools
- Mobile photography
- Prior UAD revisions

This is another transition point.

Whether you ultimately embrace a tablet or rely on structured alternatives, the objective remains unchanged: credible, organized, supportable reporting.

- Stay with it.
- Choose a workflow that fits your practice.
- Allow yourself a learning curve.
- Adapt intelligently rather than retreat.

Editor's comments:
Where to get printed check lists

With this newsletter, I have included PDF Property CheckList samples from Andy Arledge of Freedom Appraise plus PDF copies of the report pages for Single Family, Condos, and 2-4 Units. These are "generic" test list.

Some software vendors offer check lists customized for their software.

See if your software vendor offers check list (s).

Also, be sure to check with your software vendor to see what tablet and/or cell phone they require for their inspection app.

Which tablet to purchase
Thanks to Matt Johnson of SFREP for which tablet to purchase

If you don't need Lidar, I would recommend either the base model iPad with the A16 processor, or the higher-end iPad Air with the M4 processor. The iPad Pro is, in my opinion, for people with very specific needs (like appraisers who need LiDAR scanning).

If you really want an iPad Pro, though, I would look into a refurbished 5th generation iPad Pro (2021 model) or iPad Air M2.

Look up and see if there is a Best Buy Outlet store near you. Otherwise, check Amazon or www.Woot.com (owned by Amazon) and see if refurb iPads show up there.

Or, if you are used to Android on your cell phone, you can get an Android tablet from Samsung or Lenovo. Just make sure you spend at least $300 an Android tablet. There are a lot of awful, slow, low-end Android tablets out there.

Software Vendor Update

By Ann O'Rourke SRA, MAI, MBA

Which software is verified with the GSEs

GSEs will not accept UAD 3.6 appraisal reports unless the software has been verified.

Listed below are the vendors verified by GSEs as of 6-15-26:
ACI
Aivre
Ascent (Jaro)
Bradford
Cotality (Total)
SFREP

Which software is not verified yet
Freedom Appraise - as of 6/15 they are still working on it. Will have another meeting with GSEs soon.

Status of inspection app
ACI - Completed by end of July
Aivre - Done
Bradford - App complete. Finish testing by mid to late July.
Cotality (Total) - Done
Freedom Appraise - Done
SFREP - Done (2 apps - Instaplan.ai and Apex Portal

Note: *Inspection apps are available on Apple App Store or Google Play Store.*

Where to get Fannie Mae's list of verified (approved) software providers
Go to:
https://singlefamily.fanniemae.com/integrated-vendor-list
You may need to copy and paste this long list.

Scroll down to Fannie Mae Product Interface. Click Search and scroll down to UAD Appraisal Software Providers

UAD 3.6: Defining the Fear Hiding Behind the Tree

By Doug Smith, SRA

Editor's Comments: I have been writing in this newsletter about UAD 3.6 since early 2025. This article discusses UAD 3.6 issues written by an experienced appraiser and writer and includes a monthly list of what to do.

By now, with the November 2, 2026 implementation date firmly in sight, appraisers should be preparing to accept UAD 3.6 assignments. Yet a review of social media discussions reveals that many appraisers remain at various stages along the path toward adoption. Some are well into trial reports and software training, while others are still evaluating options and determining their next steps.

Social media often presents a mixed picture of current thinking. Some remain confident, others uncertain, and still others continue to hope that implementation will somehow be delayed. However, recent communications from Fannie Mae and Freddie Mac indicate that the transition remains on schedule. With time growing short, it may be worthwhile to pause and review where we are, what remains to be done and how best to use the remaining months before November 2.

First: Make the Decision

This may be an appropriate time for appraisers to make a deliberate business decision regarding UAD 3.6.

For some, that decision will be to fully embrace the transition and continue performing lending assignments under the new standards. For others who are already contemplating retirement, reducing appraisal volume, or shifting toward non-lender work, the upcoming transition may simply provide a natural point at which to reassess future business plans.

Neither decision is right nor wrong.

What is important is making a conscious decision rather than allowing the deadline to make it for you.

For those who intend to continue performing residential lending appraisals, the time has arrived to accelerate the transition process and focus on the practical steps necessary to become comfortable with the new reporting environment.

Defining the Fear Hiding Behind the Tree

One of the greatest obstacles to accomplishing any objective is procrastination-putting off today what could be done tomorrow.

Yet procrastination is rarely the real problem.

Experts who study productivity and behavioral change often conclude that procrastination is merely a symptom. The real issue is usually apprehension, uncertainty, or fear. Something is causing us to avoid taking the next step.

In the case of UAD 3.6, appraisers often express concerns about software, field data collection, tablets, workflow changes, increased reporting requirements, productivity losses, or simply the challenge of learning something entirely new.

The solution is straightforward:

Define the fear that is hiding behind the tree. Then deal with it directly.

For some, the concern may be technology. For others, software selection. Some worry that they must purchase and learn a tablet before they can begin.

In reality, there are multiple paths to successful adoption. While tablets can be useful, many appraisers are developing efficient workflows using checklists, paper notes, digital photographs, voice dictation, and office-based data entry. A tablet is only one possible solution, not a requirement.

The important point is to identify the specific obstacle and address it rather than allowing it to become a reason for inaction.

Software: Choose a Path and Move Forward

At some point, every appraiser must select a software platform and begin learning it.

While there are several capable providers, one common mistake is spending months evaluating software while making little progress toward actual implementation.

No software package is perfect. Each has strengths, weaknesses, and learning curves.

The goal is not to find the perfect software. The goal is to become proficient with a software package that will allow you to produce compliant reports efficiently and accurately.

Once a decision is made, commit to learning the system, attending training sessions, and working through practice reports.

Progress comes from usage, not evaluation.

Artificial Intelligence: An Unexpected Training Partner

Artificial intelligence has emerged as one of the more unexpected aids during the transition.

Many appraisers initially assume AI adds another layer of complexity to an already challenging process. In practice, many have found the opposite to be true.

AI can function as a twenty-four-hour tutor capable of explaining UAD requirements, software functions, terminology, workflow options, spreadsheet formulas, and reporting concepts in plain language. It can summarize lengthy guidance documents, create checklists, build tracking spreadsheets, draft workflow guides, and answer questions as they arise during daily work.

The important point is that AI does not replace appraisal judgment.

Rather, it serves as an on-demand training resource that allows appraisers to learn at their own pace without waiting for the next class, webinar, or support call.

Many appraisers who have begun using AI during the UAD 3.6 transition report that it has shortened the learning curve and reduced frustration.

Appraisers have always learned through mentors, peers, classes, and experience. Artificial intelligence simply adds another learning resource to that list.

Return to the Basics: Mentors and Networking

Long before online training, appraisers learned through mentorship and professional relationships.

That remains true today.

One of the most effective ways to accelerate learning is to communicate with other appraisers who are working through the same challenges. Share ideas. Exchange checklists. Discuss workflow improvements. Compare experiences with software and field procedures.

Many of the most valuable lessons are learned from fellow practitioners who have already solved a problem you have not yet encountered.

The transition to UAD 3.6 does not have to be a solitary effort.

Treat UAD 3.6 Like an Appraisal Assignment

Appraisers already possess the skills necessary to manage this transition because they use those same skills every day.

Approach UAD 3.6 the same way you approach an appraisal assignment:

1. Identify the Problem to Be Solved

Determine exactly what remains to be done before you can confidently accept UAD 3.6 assignments. Create a detailed list.

- Do you need software training?
- Do you need to complete practice reports?
- Do you need better inspection procedures?
- Do you need to learn voice dictation?
- Do you need to organize checklists and workflow guides?

The clearer the problem is defined, the easier it becomes to solve.

2. Determine the Scope of Work

Develop a realistic plan that fits within your current workload. Large objectives become manageable when broken into smaller steps. Rather than viewing UAD 3.6 as one overwhelming challenge, divide it into individual tasks and complete them one at a time.

3. Document Your Progress

Many successful appraisers maintain a notebook, journal, spreadsheet, or logbook during major projects.

- Record lessons learned.
- Track completed training.
- Document software discoveries.
- Note solutions to recurring problems.

Over time, this record becomes both a valuable reference tool and evidence of progress.

Suggested UAD 3.6 Transition Work Plan

Editor's comment. *I did not receive this article until after the June issue. The June steps are still necessary and should be done.*

June

1. Select software platform.
2. Install updates and training materials.
3. Complete introductory UAD 3.6 education.
4. Create a UAD 3.6 notebook, electronic folder, or logbook.
5. Begin collecting reference materials and checklists.

July

1. Complete a UAD 3.6 practice report on your own residence.
2. Learn navigation, data entry, and field requirements.
3. Identify workflow bottlenecks.
4. Develop field inspection checklists and office procedures.

August

1. Complete two to five additional practice reports using previously completed assignments.
2. Refine narrative language and templates.
3. Begin using UAD 3.6 for any available pilot assignments.
4. Review lender and software updates.

September

1. Operate primarily in a UAD 3.6 environment.
2. Develop consistency in inspection, data collection, and report production.
3. Create backup procedures and quality-control checklists.
4. Work through unusual property scenarios.

October

1. Conduct a final readiness review.
2. Verify software updates and support contacts.
3. Confirm all required credentials and registry information.
4. Be prepared to accept UAD 3.6 assignments on a regular basis.

November 2, 2026

1. Transition day.
2. Continue learning, refining, and improving processes.
3. Remember that every appraiser will still be learning.

Managing Time During the Transition

This may also be an appropriate time to revisit proven time-management methods.

Many appraisers use a simple priority system.

"A" items require immediate attention.

"B" items can be addressed later in the day or the following day.

"C" items are informational and can wait until time permits.

Others prefer a sequential approach, creating a written task list and working through each item in order until it is completed.

Whatever system is used, the objective remains the same: reduce distractions, maintain momentum, and continue moving forward.

Progress is often less about finding the perfect system and more about consistently following a workable one.

Confidence Through Experience

The most important thought during this momentous year is to maintain confidence.

Appraisers have successfully navigated significant changes before. They adapted to licensing, USPAP revisions, lender overlays, electronic delivery systems, ANSI measurement standards, market disruptions, and countless software upgrades.

Each change initially appeared challenging.

Each eventually became part of everyday practice.

The challenge before us is not whether UAD 3.6 is coming. The challenge is identifying the fear hiding behind the tree, dealing with it directly, and moving forward one step at a time.

Like every appraisal assignment, the problem must first be identified, the scope of work determined, and the work completed.

If approached systematically, November 2, 2026 will ultimately become just another date in the profession's long history of adaptation, learning, and success.

About the author

Douglas G. Smith, SRA, AI-RSS

Education +

1959 - 1963 Bates College

Lewiston, Maine

- Bachelor of Arts- Economics

1994 - 1997 University of Montana

Missoula, Montana

- Masters In Business Administration

President- Hotel Consulting Services, Inc. dba Appraisal Services- Douglas G. Smith Since 1992

- Specializing in Real Estate Appraisals, Consulting and Market Feasibility Studies
- Professional Assignments

Appraisal Services-Douglas G. Smith

- Single Family, Multi-Family Residential , Residential High Value Properties and Commercial Appraisals in Montana-Resident of Missoula, Montana since 2003 and Butte, Montana prior to 2003
- Montana Certified General Appraiser - License #REA-RAG-LIC-562
- FHA appraisals - #MT562
- VA appraisals - VA ID #1361
- HUD Foreclosure Appraiser in Southwest Montana
- High Value homes, located in the gated communities of The Rock Creek Cattle Company and the Stock Farm
- Litigation assignments of vacant land and improved properties
- Commercial, Industrial, Retail and Hospitality Appraisals

Professional Affiliations

- Appraisal Institute-Associate Member-SRA designation, AI-RSS (Review Designation)

Is Expert Witness Work a Viable Alternative to GSE Work

By Tim Andersen, MAI

Editor's Note: *The author used Chat GPT for the abstract below*

Abstract

This essay addresses the growing interest among residential real estate appraisers in expert witness practice as traditional GSE assignments decline. Courtroom appraisal work demands more than valuation competency. It demands methodological rigor, evidentiary discipline, and analytical transparency. The expert witness must survive hostile cross-examination, justify every analytical conclusion, and demonstrate market-supported reasoning consistent with professional ethics and appraisal standards. This essay does not teach appraisal mechanics. Instead, it anticipates the questions attorneys, judges, regulators, and opposing experts commonly direct toward appraisers in litigation settings.

The discussion addresses unsupported assumptions, omitted valuation approaches, highest and best use failures, inadequate comparable sale selection, arbitrary reconciliation, and unsupported adjustments. The central thesis remains simple. Every appraisal intended for litigation must withstand scrutiny under logic, evidence, statistics, economics, and professional ethics. Without those foundations, the appraisal becomes advocacy disguised as analysis.

Introduction

As GSE appraisal assignments continue declining in many American markets, appraisers increasingly seek alternative revenue sources. One increasingly attractive avenue involves expert witness work in litigation support. That transition, however, demands substantial retraining, expanded education, and disciplined methodological development.

Courtroom appraisal work differs fundamentally from ordinary mortgage lending assignments. The appraiser must prepare an appraisal acceptable to judicial scrutiny. The appraiser must communicate conclusions clearly and persuasively to attorneys, judges, juries, and regulators. Most importantly, the appraiser must survive aggressive professional cross-examination.

Cross-examination exists for one purpose. The opposing attorney seeks to damage your credibility publicly and permanently. The attorney may understand nothing about real estate appraisal methodology. That ignorance changes nothing. The attorney's professional obligation requires exposing weaknesses, unsupported assumptions, logical inconsistencies, omitted analyses, and arbitrary conclusions.

Few appraisers naturally possess the skills necessary for this environment. Traditional qualifying education rarely prepares appraisers adequately for litigation practice. Most appraisers therefore acquire those competencies through mentorship, courtroom exposure, advanced education, or employment within litigation-oriented appraisal firms.

This essay does not attempt to teach appraisal development techniques comprehensively. That responsibility belongs to formal education, disciplined mentorship, and practical experience. Instead, this essay focuses upon the questions opposing attorneys, regulators, and review appraisers commonly ask during litigation proceedings and disciplinary investigations.

Many of these questions also arise during state appraisal board investigations. The overlap exists because courts and regulators pursue similar objectives. Both seek methodological credibility, analytical transparency, and ethical compliance.

Nothing within this essay intends intimidation. Preparation, however, requires intellectual honesty. The courtroom punishes unsupported assumptions mercilessly. The witness stand exposes weak methodology immediately. Litigation appraisal therefore demands preparation beyond ordinary appraisal practice.

The appraiser entering litigation practice must understand one foundational principle. Every statement within the report becomes subject to attack. Every omitted analysis becomes a vulnerability. Every unsupported adjustment becomes potential impeachment material.

Expert witness practice therefore requires more than confidence. It requires disciplined reasoning supported through market evidence, statistical analysis, documented methodology, and ethical integrity.

Five Questions

Assume you have taken the witness oath. Assume opposing counsel already deposed you previously. Assume opposing counsel thoroughly reviewed your workfile, appraisal report, and professional history.

Also assume opposing counsel retained another appraiser specifically to identify your report's weaknesses. That reviewer likely produced a detailed memorandum identifying methodological vulnerabilities, unsupported assumptions, omitted analyses, and potential USPAP violations.

Now imagine yourself sitting on the witness stand.

1. Sample Question #1:

"Where within your report did you distinguish between assumptions you tested and assumptions you merely accepted without testing?"

This question does not address USPAP extraordinary assumptions directly. Instead, the question addresses epistemology(theory of knowlege). The attorney seeks to determine whether your conclusions arose from market evidence or from personal belief.

Suppose, for example, you adjusted a comparable sale upward because the comparable possessed inferior gross living area. The attorney immediately seeks clarification. Did the market actually support that adjustment? Or did you merely assume the adjustment remained necessary because a difference existed?

Many appraisers unconsciously confuse difference with contributory value. The market, however, does not recognize every difference economically. Some physical differences produce measurable value reactions. Others produce negligible reactions. Still others produce reactions inconsistent with appraisal tradition.

The attorney therefore seeks analytical support. "How specifically did you determine the market recognized this adjustment?" "What market evidence demonstrated buyers paid more because of this difference?" "Where within your workfile did you document that analysis?"

The unsupported adjustment becomes extraordinarily dangerous under cross-examination. Unsupported adjustments reveal methodological weakness immediately. The witness then appears arbitrary rather than analytical.

The courtroom does not reward tradition merely because the profession historically accepted it. Courts increasingly demand analytical reliability, reproducibility, and logical coherence. That demand mirrors the logic underlying cases such as the Dubert v. Merrell Dow Pharmaceuticals. decision and its descendants. Expert testimony must arise from reliable principles and methods applied reliably to sufficient facts and data.

An unsupported adjustment therefore creates several dangers simultaneously.

First, the adjustment may represent pure assumption.

Second, the adjustment may represent confirmation bias.

Third, the adjustment may represent advocacy supporting a predetermined value conclusion.

Fourth, the adjustment may reveal the appraiser failed testing procedures entirely. Under litigation scrutiny, unsupported adjustments frequently collapse first.

2. Sample Question #2:

"You provided this court with a single value opinion. Please explain, step by step, the specific analytical methodology producing that conclusion."

At first glance, this question appears harmless. In reality, it represents one of litigation's most dangerous inquiries. The attorney already knows you reached a value conclusion. The report already discloses your approaches, adjustments, and reconciliation. The true issue therefore concerns reasoning. Why did you select certain methodologies? Why did you reject others? Why did you assign greater significance to certain data? Why did you trust one analytical conclusion more heavily than another?

Litigation appraisal requires methodological transparency. The expert witness must explain analytical reasoning clearly, logically, and persuasively. Many appraisers struggle here because traditional mortgage work rewards brevity more than analytical explanation. Litigation work reverses that priority entirely.

Suppose the attorney asks: "Why did you omit the Income Approach?" The ordinary response often sounds like this: "The market generally does not use the Income Approach when valuing single-family residences." That answer immediately invites disaster. The attorney responds: "What market research supports that conclusion?" "Did you conduct surveys?" "Did you perform paired analyses?" "Did you review investor participation rates?" "Did you analyze rental conversion trends?" "Did you test whether market participants considered rental potential?" "Where within your workfile did you document those analyses?"

Now the witness faces enormous danger. Many appraisers respond defensively: "My twenty years of experience support that conclusion." Experience matters enormously. Experience alone, however, does not transform unsupported belief (i.e., superstition) into market-supported fact. The courtroom distinguishes sharply between expertise and superstition. Expertise arises from disciplined observation, testing, analysis, falsification, and reasoned interpretation. Superstition arises when professionals *repeat unsupported assumptions because tradition normalized them.*

The distinction matters profoundly. The expert witness therefore must explain not merely what happened analytically, but why specific methodologies produced reliable conclusions. The litigation environment increasingly demands analytical reproducibility. Could another competent appraiser follow your documented procedures and reasonably understand your conclusions? Could another expert identify your analytical protocols clearly within the workfile? Could the court distinguish evidence from assumption? Those questions define litigation credibility.

3. Sample Question #3:

"By what analytical protocols did you determine the subject's highest and best use as if vacant?"

This question carries extraordinary danger because it targets foundational appraisal reasoning. Highest and best use analysis forms the foundation beneath all subsequent valuation conclusions. If the highest and best use analysis collapses, the entire appraisal structure weakens immediately. Attorneys frequently ask this question when the appraiser omitted the Cost Approach. The omission matters because site valuation commonly appears within that approach. Many appraisers respond reflexively: "It is uncommon appraisal practice to include the Cost Approach for older existing properties." That response creates immediate vulnerability. The attorney naturally asks: "Why?"

Remember the implications carefully. Under oath, you presented that statement as factual. Therefore, what evidence supports your conclusion?

Did you conduct market research? Did you analyze buyer behavior? Did you review investor decision-making patterns? Did you test whether purchasers considered replacement costs during negotiations? Did you examine land-to-value ratios? Did you investigate redevelopment pressure?

Did you analyze obsolescence quantitatively? Or did you merely repeat industry tradition?

Litigation appraisal punishes unsupported convention. The courtroom demands evidence. Suppose the witness responds: "That is simply how I have always performed appraisals." That statement does not establish market behavior. That statement establishes personal habit (which may indicate confirmation bias). Personal habit does not constitute market evidence. Worse still, unsupported habits may reveal advocacy.

The attorney then presses further: "You testified the market does not recognize the Cost Approach. Please identify the research supporting that statement." Now the appraiser faces methodological exposure. Unless the witness conducted statistically meaningful market analysis, the testimony remains unsupported. Unless the witness possesses credible third-party market research, the statement remains speculative. Unless the witness documented analytical support within the workfile, the conclusion appears arbitrary.

This issue reaches beyond methodology alone. It reaches professional ethics. USPAP prohibits advocacy. Advocacy occurs whenever the appraiser promotes unsupported conclusions favoring predetermined outcomes. Unsupported methodological assumptions therefore create ethical danger alongside analytical weakness.

Highest and best use analysis especially demands disciplined reasoning. The appraiser must analyze legal permissibility, physical possibility, financial feasibility, and maximal productivity rigorously. Each analytical stage requires evidence. Each conclusion requires support. Each assumption requires testing. The expert witness cannot merely recite appraisal vocabulary impressively. The witness must demonstrate disciplined analytical reasoning transparently.

4. Sample Question #4:

"How did you select your comparable sales, and where within your workfile did you support that process?"

This question routinely appears during litigation and regulatory investigations. Comparable sales selection remains one of residential appraisal's weakest methodological areas. The profession still lacks a universally accepted operational definition of comparability. Many appraisers define comparable sales superficially. They focus primarily upon geographic proximity, recent sale dates, similar gross living areas, similar architectural styles, and similar effective ages.

Those factors matter. They remain insufficient independently. USPAP Standards Rules 1-2 and 1-3 require identification and analysis of relevant property characteristics affecting use and value. A truly comparable sale therefore should satisfy two conditions simultaneously. First, the comparable should share the same highest and best use as the subject. Second, the comparable should demonstrate sufficiently similar legal, physical, locational, economic, and utility characteristics. Most importantly, the appraiser must demonstrate those similarities analytically.

Mere recitation does not constitute analysis. Suppose the appraiser states: "The comparable properties possessed similar effective ages." The attorney immediately asks: "How specifically did you determine compatibility?" "Did you measure depreciation patterns?" "Did you analyze renovation quality quantitatively?" "Did you test market reactions statistically?" "Did you examine variance ranges?" "Did you calculate similarity scores?" "Did you perform regression analysis?" "Where within your workfile did you document those procedures?"

Now the appraiser confronts the central weakness underlying many residential appraisals. Appraisers frequently describe comparability impressionistically rather than analytically. Litigation practice increasingly rejects that approach. Modern expert testimony increasingly favors measurable methodologies supported through statistics, economics, and market analysis. The workfile therefore becomes critically important.

State regulators and opposing experts routinely examine workfiles carefully. The workfile must demonstrate two analytical conclusions clearly. First, why did the market require the adjustment? Second, how did the appraiser determine the adjustment quantity? Both conclusions require support. Both conclusions require documentation. Both conclusions require transparent reasoning. Unsupported adjustments create enormous regulatory vulnerability. Unsupported comparable selection creates similar danger. Highest and best use analysis becomes especially important here.

This is because the appraiser cannot select truly comparable sales credibly before identifying the subject's highest and best use. That conclusion carries enormous implications. If the appraiser minimized highest and best use analysis superficially, comparable selection likely rests upon unstable foundations. The litigation environment exposes those weaknesses aggressively.

5. Sample Question #5:

"What methodology did you use when weighing your comparable sales during final reconciliation?"

This question often devastates otherwise competent witnesses. Many appraisers reconcile value conclusions impressionistically rather than analytically. They commonly state: "Comparable Sale #2 deserved greatest weight because it was located across the street." That statement immediately invites attack. Why should proximity alone determine superiority? Did the market indicate proximity outweighed other factors? Did you measure relative similarity quantitatively? Did you analyze adjustment magnitudes comparatively? Did you examine gross and net adjustment percentages? Did you analyze variance sensitivity? Did you apply statistical weighting procedures? Did you test predictive reliability? Or did you merely choose the comparable supporting your preferred conclusion?

This issue matters enormously. Many appraisers reconcile value conclusions arbitrarily. They select the comparable "feeling" most persuasive intuitively. That methodology becomes extraordinarily dangerous during litigation. The courtroom increasingly demands transparent reconciliation logic. The witness must explain why certain comparables deserved greater significance analytically.

For example, perhaps one comparable required substantially fewer adjustments. Perhaps another comparable demonstrated stronger locational similarity statistically. Perhaps one comparable displayed superior predictive reliability historically. Perhaps another comparable aligned more closely with buyer behavior patterns. Those conclusions may possess analytical legitimacy.

The appraiser, however, must demonstrate them. Unsupported reconciliation resembles advocacy more than analysis. The appraiser effectively tells the court: "Trust me because I am experienced." Litigation increasingly rejects that reasoning. Experience matters. Transparent analytical support matters more. The modern expert witness therefore must reconcile conclusions systematically, transparently, and logically.

Conclusion

Why does any of this matter? Frankly, none of it matters unless the appraiser chooses professional excellence deliberately. The appraiser choosing litigation practice enters a profoundly different professional environment. The courtroom demands intellectual discipline. The courtroom punishes unsupported assumptions. The courtroom exposes methodological weakness publicly.

Several lessons therefore emerge clearly.

First, an appraisal is not storytelling**.** An appraisal constitutes applied economic research grounded in statistics, finance, logic, mathematics, and market behavior**.**

Second, credible appraisal develop ment requires disciplined methodological sequencing. The appraiser cannot skip foundational analyses conveniently. The appraiser cannot substitute intuition for evidence. The appraiser cannot replace testing with assumption.

Third, the appraisal report functions primarily as a communication instrument. The report must communicate conclusions clearly, concisely, logically, and persuasively. The report should not bury reasoning beneath boilerplate language or unsupported declarations.

Fourth, appraisal fundamentally involves science rather than artistic improvisation. Statistics, economics, and mathematics form the profession's analytical foundation. The appraiser's creativity appears primarily within communication, explanation, organization, and interpretation.

Fifth, artificial intelligence does not replace professional judgment. Artificial intelligence may improve structure, grammar, organization, and readability. Artificial intelligence cannot replace analysis. Artificial intelligence cannot determine credibility independently. Artificial intelligence cannot assume professional responsibility. The appraiser therefore remains fully responsible for every conclusion, adjustment, omission, assumption, and reconciliation.

Finally, expert witness practice absolutely remains a viable alternative for skilled appraisers. That opportunity, however, carries substantial responsibility. The expert witness must think analytically. The expert witness must reason transparently. The expert witness must document conclusions rigorously. The expert witness must understand statistics, economics, logic, and professional ethics deeply.

Without those disciplines, the appraisal becomes nothing more than advocacy disguised elegantly as expertise. Without those disciplines, the appraisal report becomes fiction wearing professional clothing. The courtroom eventually discovers the difference. Will that courtroom discover your qualifications or your errors?

Editor's Additional Information From Other Sources

In the March 12 issue of my free Friday newsletter I wrote about another excellent expert witness article:

When Appraisers Take the Stand
By David C. Wilkes, Esq., CRE, FRICS and Kevin M. Clyne, Esq., CRE

This is an excellent article with detailed discussion of issues in expert witness testimony. I have done expert witness testimony. This would have been worth reading, just in case the opposing attorney knows what is in this article!

I was lucky - never had an opposing attorney who knew much about appraisals!

Excerpts: "Real estate appraisers have long played an essential role in litigation involving property valuation. Courts frequently rely on experienced valuation professionals to provide independent opinions in disputes ranging from eminent domain and property tax appeals to partnership disputes, lender litigation, insurance claims, and complex commercial real estate matters. In many of these cases, the court depends on the appraiser to translate market evidence into a clear and reliable opinion of value."

"In today's environment, the legal landscape surrounding expert testimony has become more demanding. Courts are applying greater scrutiny to expert methodologies, litigants are increasingly aggressive in challenging valuation opinions, and expert witnesses face growing exposure to regulatory complaints and civil liability. For appraisers who accept litigation assignments, understanding these evolving risks is now an important part of professional practice-particularly for those working in insurance, financial, and risk-management related matters where valuation conclusions can have significant financial consequences."

"Courts now routinely evaluate the reliability of expert testimony before allowing it to be presented at trial. Judges often examine whether an expert's methodology is grounded in accepted appraisal principles and whether those principles were applied appropriately to the facts of the case”.

"For valuation professionals, this scrutiny frequently focuses on several core components of the appraisal process”:

- Selection of comparable transactions
- Support for adjustments
- Highest and best use analysis
- Treatment of market conditions
- Reconciliation of valuation approaches

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Ann O'Rourke, MAI, SRA, MBA
ann@appraisaltoday.com

Subscriber Services
Theresa Lua
M,T,W 7AM to noon
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info@appraisaltoday.com (24 x 7)

Editorial and Subscription Offices
1826 Clement Ave., Suite 203
Alameda, CA 94501
Phone: 1-865-8041
www.appraisaltoday.com

My comments: More articles, classes, webinars, etc.

When Appraisers Take the Stand *To read the article go to* https://www.workingre.com/managing-increasing-legal-risks-facing-appraisers-serving-as-expert-witnesses/ (You may need to copy and paste this long link)

Youtube video Breaking into Litigation Appraisal: Building a Higher-Value Practice. On American Valuation Society page (AVS) with many other useful appraisal videos, especially for UAD 3.6. 1 hour and 30 minutes. **Taught by Craig Gilbert,** ASA, SRA with significant experience in litigation support. I have known him for a long time. Direct youtube link www.youtube.com/watch?v=pbczK47_5LA

I wrote an article on the topic in the February 2023 issue of Appraisal

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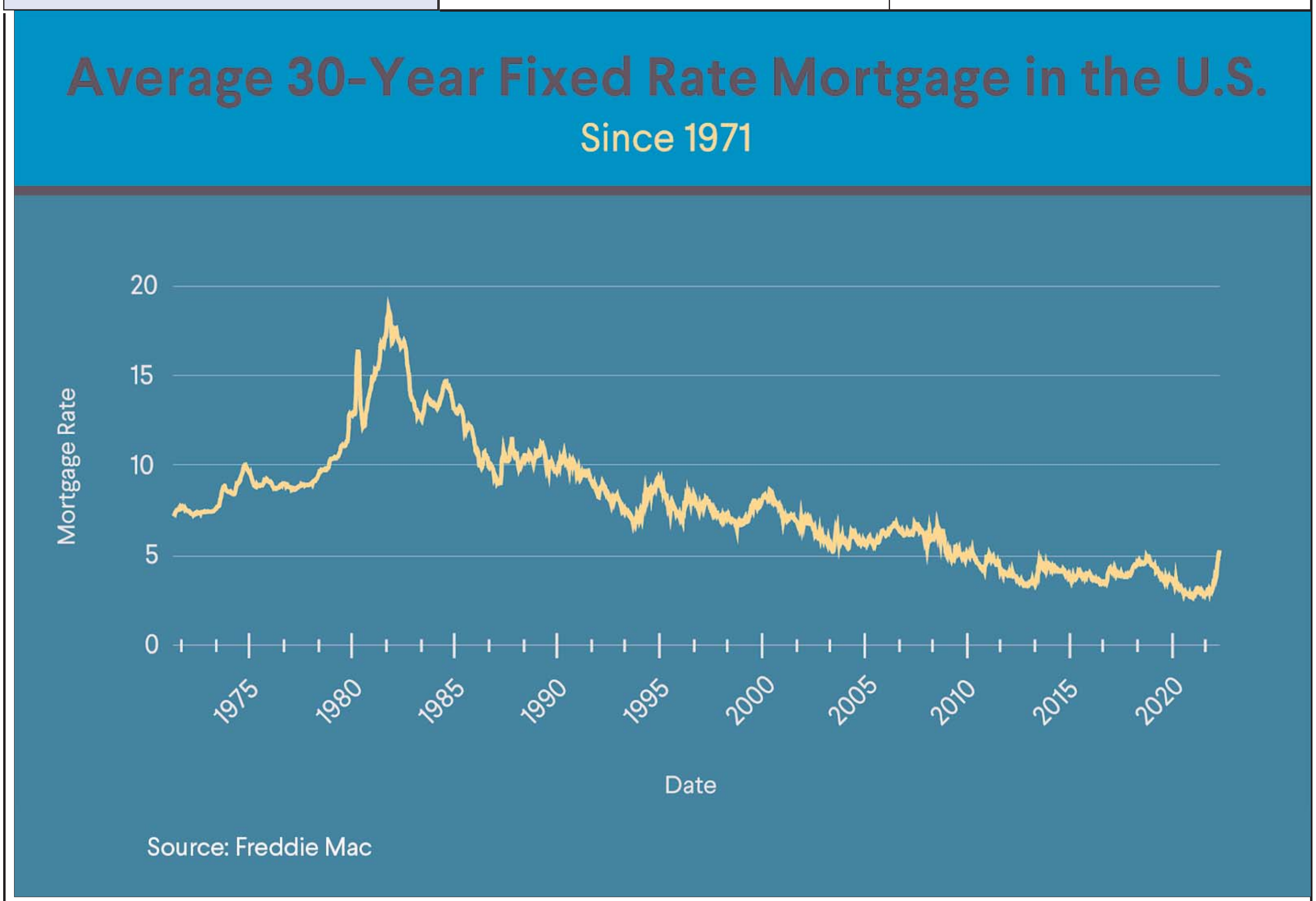

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About the author

Tim Andersen MAI, MSc., CDEI, MNAA
The Appraiser's Advocate!
561/635-5265
www.theappraisersadvocate.com

Florida State-Certified General Real Estate Appraiser, RZ998 (inactive)

Master of Science Degree (MSc) in Real Estate Appraisal

MAI Member of the Appraisal Institute (retired)

AQB Certified USPAP Instructor, #44754

IDECC CDEI #67601

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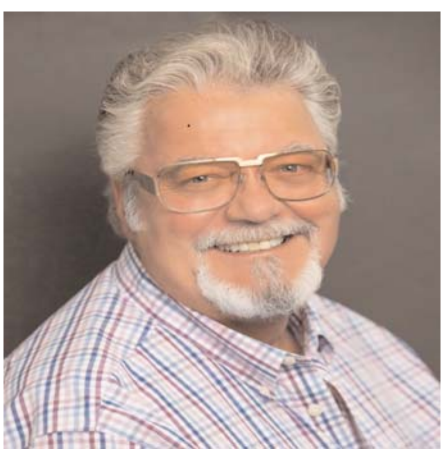

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