

# Appraisals



# What is an Appraisal?

- The appraisal is a very lengthy document that gives all the details of the home and the appraiser's opinion of its value.
- The value has to be supported by market data that the appraiser includes in the report.
- Appraisals, by law, must be completed by a third party appraisal management company.

# Why Do You Need an Appraisal?

- The appraisal assures you, as the buyer, and us, as the lender, that the value of the property is at least what you are paying for it.



# When is the Appraisal Done?

- Appraisal is done after the inspection
  - This way if there are any defects with the property that may deter you from moving forward with your purchase you don't lose money on your appraisal
- Appraisals are paid for when they are ordered. Generally you will need to give your loan officer a credit or debit card number before hand.
- Your Loan Officer will email or call you in advance when they are ordering your appraisal.

# Issues with the Appraisal

- The appraisal may come back with conditions. These conditions are requirements for repairs on the property that must be met in order to meet minimum standards. These must be completed before closing.
- Appraised value occasionally can come in low. At this point your contract can be renegotiated or you may provide information to dispute the valuation.

# COMPLIANCE

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