

Appraisal Woes...

Dear friend:

You might be interested in how the appraisal process for home purchases and refinances has changed by:

- Increasing the time between order and delivery of an appraisal beyond 2-5 days
- Inflated the cost which in the past typically was never over \$325.00.
- Potentially impairs value by removing the communication between the lenders to the appraiser. We cannot share the cost or value of recent upgrades; proper square footage or suggesting comparables that might be a perfect match for your home.

Over the last year all agencies have adopted the HVCC appraisal guideline and procedure.

The net effect:

1. The appraisal is ordered via the lenders web site into an appraisal order portal.
2. New cost \$365 to \$500+ -Payment is required via credit card, the actual charge often unknown until it shows up on your charge statement or the receipt that comes with the appraisal,
3. 1 to 10 days is the turn time between the registered appraisers first contact with the necessary party for entry to the property and their site visit
4. Additional 2 to 5 days for delivery of the appraisal to the portal runs an. It depends upon the location of the property, their staff availability, how hard it is to find recent sales and comparable property sold within a 1 mile radius; sold <60 days.
5. Additional 1 to 5 days for the lender to review and accept the appraisal.

Worst case time frame and costs? 20 days/\$500+; unfortunately I have seen this worst case.

Often times we are experiencing values rendered for less than the purchase price or owners believed value. This can be disputed; however, the dispute may involve doing a second appraisal or an additional charge for more research.

If the appraisal contains property condition concerns? Call me for that answer.

How can we improve this process or make it go away? Contact your local senator and ask them to re-instate the old appraisal guidelines. If you have ever been burned time wise, value wise or cost wise, you owe it to yourself to make this call or write that letter. Most senators have a web communication link.

Feel free to share this letter and information with others and don't hesitate to call me if you have questions or to provide me the name and telephone number of someone who can use my help.

Sincerely,

Anna Babineaux
Your Personal Mortgage Consultant For Life