



WHY ENGAGE A PROFESSIONAL APPRAISER?



THE APPRAISAL FOUNDATION

*Authorized by Congress as the Source of Appraisal
Standards and Appraiser Qualifications*

Whether assessing personal property, real estate, or a business, appraisers provide an unbiased and thoughtful analysis of value. Understanding the value of your assets is essential to making informed decisions and protecting your financial well being.

What are the Different Types of Appraisals?

While some professional appraisers specialize in more than one property type, most concentrate in valuing one particular type of property.

Real Property Appraisals:

Federal law dictates that in real estate loans of \$250,000 or more, a lender must use an appraiser to determine the value of a home. That's because an appraiser provides the most thoughtful opinion of value based on thorough and unbiased research that reflects the fair market value of a property. An appraiser is trained to assess a wide range of factors that affect a home's value, including its size, location, condition, age, quality, and more. Appraisers assess these factors in relation to recent sales of comparable properties to arrive at an opinion of value.

Mass Appraisals:

Mass appraisals are the valuation of all properties in a "universe" of properties, such as a city or county. They are widely used for property tax purposes. Just like single property appraisals, mass appraisals rely on accurate property characteristics and market data, and take into account each property's valid sales in a given time frame.

Personal Property Appraisals:

Fine art, jewelry, antiques, general household contents and machinery and equipment all require a personal property appraisal to determine their value for sale, acquisitions, taxes, estate planning, insurance purposes, and more. Personal property appraisers are trained to assess the quality, rarity, authenticity, provenance, and desirability of items.

Business Valuation:

Business valuers specialize in the valuation of business enterprises and their intangible assets including intellectual property (patents, trademarks, domain names), customer lists, goodwill, and going-concern. They are also used to resolve disputes related to estate and gift taxation, divorce litigation, buy-sell agreements, as well as many other business and legal purposes.

Why Should You Use a Professional Appraiser?

Regardless of the type of property being appraised, a qualified appraiser has gone through extensive education and testing, and has significant experience in the field. State-licensed and state-certified real estate appraisers must also comply with appraisal standards, known as the *Uniform Standards of Professional Appraisal Practices (USPAP)*, set by The Appraisal Foundation. They also complete continuing education courses to ensure awareness of changes in valuation methods and techniques, technology, and the marketplace. As you can see, there is a lot of training involved.

The role of any appraiser is to produce a credible opinion of value based on thorough, unbiased research and analysis. In some cases involving real estate, appraisers may help prevent buyers from overpaying for a home. They also help people understand the value of their assets and make well-informed financial decisions.



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About The Appraisal Foundation

The Appraisal Foundation is the nation's foremost authority on the valuation profession. The organization sets the Congressionally-authorized standards and qualifications for real estate appraisers, and provides voluntary guidance on recognized valuation methods and techniques for all valuation professionals. This work advances the profession by ensuring appraisals are independent, consistent, and objective. More information on The Appraisal Foundation is available at www.appraisalfoundation.org.

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