



Reassigning or readdressing appraisals: What you need to know.

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Q. I have an appraisal that was previously completed by an appraiser, and I need it "readdressed" or "reassigned" to either another client, or for different internal intended uses (purchase to refinance). Can an appraiser help me with this?

A. Yes, they can help - by performing a NEW assignment, which may or may not result in a different value estimate. An appraiser is not allowed to simply reassign or readdress an appraisal that they previously completed for another client, or change an intended use for the same client.

Q. Why not?

A. Appraisers are bound by the *Uniform Standards of Professional Appraisal Practice* (USPAP). These standards have specific definitions for "client" and a required "scope of work," which is unique to each assignment. Because an appraiser is required to abide by USPAP, they must identify the client at the outset of each assignment. If an assignment has already been completed, then the client can't be "re-defined" or "re-named," but an entire new assignment must ensue.

Q. If all other elements of the assignment are the same (property, borrower, value type sought, intended use, etc.), with the exception of one element-- such as the client-- won't the appraiser come to the same conclusions?

A. It is more than likely that the appraiser will come to the same conclusion if all other assignment elements are identical. However, by USPAP requirements, the appraiser must consider it as a new assignment to ensure they understand and meet the new client's assignment parameters. To ask the appraiser to do anything else would be asking them to violate the standards to which their certification is tied. (The appraiser of course, also has the responsibility to ensure that they are not violating any confidentiality of the original client-appraiser relationship. Simply coming to the same conclusions as the previous assignment is not a breach of confidentiality.)

Q. Will I have to pay a full appraisal fee for this "new assignment?"

A. That depends. The decision on the fee is a business decision between the appraiser and the "new" or same client and will likely depend on differences between the scope of the new assignment compared to the previous, i.e., when was the previous appraisal completed? Is there a change in the effective date? Has the market changed since that effective date? Has new data become available for analysis which is pertinent and necessary to the assignment? In order for the appraiser to answer the question on the fee, the new client needs to order the appraisal and communicate their needs to the appraiser, and request a fee quote.

Q. What types of questions might the appraiser ask about this "new assignment?"

A. The appraiser will work with you to determine if the previous inspection/effective date of the report can be utilized, or if a new inspection date will be required. The 2005 Fannie Mae form specifically identifies the "inspection" date, as being the same as the "effective" date of the value opinion. If there is a significant difference between the signing date and the previous inspection/effective date, this will need to be explained in the report. The client certainly has the option of requesting a new inspection/effective date. The appraiser also has a responsibility to determine if they are comfortable with the previous dates, depending upon the length of time which has passed. The appraiser can call for a new inspection as part of the scope of work if they believe this is required to develop a credible opinion, which is not misleading to the reader.

Q. What is the difference between "inspection," "effective," and "signing" dates?

A. An **"inspection date"** is the date on which the property was physically inspected by the appraiser. This could have been a full interior inspection; an exterior-only inspection; or the date of a desk-top valuation. The **"effective date"** is the date of which the value opinion relates. It is most commonly the inspection date, and if a report is completed using the Fannie Mae forms, it is required to be the same date. An effective date can be different from the inspection date when using a non-Fannie form or a narrative report format. The **"signing date"** is the date on which the appraiser affixes their signature. It can be close to, or significantly different than the other dates on the report.

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