TIPS ON GETTING A FAIR APPRAISAL FOR YOUR HOME IF YOU ARE SELLING OR REFINANCING

If you are thinking about selling your home, the job of an appraiser is to look at your house through the "eyes of a buyer."

If you are thinking about refinancing your home, the job of an appraiser is to look at your house through the "eyes of the lender."

Appraisers are chosen from a panel of appraisers, and lenders usually have no control over who will be appraising your home.

If there is a mistake on the appraisal report—you (the homeowner) and a real estate agent are basically the only people who can have direct contact with the appraiser. So, it's critical that you take the following steps and provide information to ensure that you get a fair value assessment for your home.

HERE'S WHAT YOU CAN DO:

1. Contact your local real estate agent and find out the prices for homes recently sold in your area.

2. If you find that some of the homes sold for tens of thousands of dollars LESS than what you perceive the value to be, find out if the home was sold because of a divorce, job relocation or foreclosure. Let the appraiser know – even if they don't ask you for it. (This holds true regardless if you are selling or refinancing your home).

3. Prepare your home—the same way you would if you were holding an open house. While appraisers are supposed to ignore dirty dishes or overgrown bushes, they are only human and it may have some influence on the value.

4. Give them a list of your home's best features. Don't count on them discovering every detail that makes your home different from the others in your area. Note any recent upgrades, improvements, schools, shopping, unique views, etc.

When you get a copy of the completed appraisal, check for any errors. If you find a mistake, call the appraiser directly (because the loan officer is not allowed to call him/her) and ask to have the information reviewed. If they are NOT willing to update or cannot explain why they won't change it, you can complain to the local/state appraiser board.

Source: Loan Officer Magazine