



Appraisal Process and Product Types – Summary

Based on the Scope of Work Requirements per the Uniform Standards of Professional Appraisal Practice (USPAP) - The Scope of Work needs to be sufficient to produce credible results.

The Process / Service - For all Assignments

Think of the Appraisal as the Process/Service of developing an Independent, Impartial & Objective Opinion of Market Value. The Appraisal is the Verb. Meaning it is the **“Action”** taken. This includes the following:

- Researching public information such as: Auditor Records, Zoning, Master Land Use Plan;
- Internal research items such as: Traffic Counts, Flood Zone Maps, Demographics;
- Considering property specific due diligence documents – see our detailed checklist. These items typically include: Site Plan; Floor Plans / stacking plan w/SF; Details on recent past or future capital improvements, for example a new roof or parking lot; The past three (3) years of income and expense statements; physical condition reports; rent roll w/ lease expirations; details concerning a recent or pending sale including an investment package, copies of contracts and /or closing statements; details on key tenants; any recent or pending significant infrastructure projects that may impact the subject property – for example, a roadway expansion or pipeline; any unique ownership structure or financing arrangements
- Touring the surrounding area and the subject property and meeting/discussing with the property owner(s) and/or representatives;
- Analyzing market information such as comparable sales and rentals and market surveys and trends;
- Determining and Performing the most applicable approaches to value – Cost, Sales, Income - and developing a commercially reasonable range of market value and final opinion of value.

The Appraisal Report – Two (2) reporting options per 2020-21 USPAP

Think of the Report document as the Noun. Meaning it is the **“Thing”** you receive as a result of the process/service.

Option 1: Appraisal Report

This option is generally used and ordered by Lenders that require full documentation, information, and an in-depth analysis of the subject property. Other users may include Corporate Clients or Lawyers for more complex Court Cases. Generally, our Appraisal Reports range from 70 to 200 pages, depending upon the complexity of the property.

Option 2: Restricted Appraisal Report

Use of this report is limited to the client(s) and other named intended users because it may not contain supporting rationale for all of the opinions and conclusions that are set forth. This option is often ordered by Property Owners, Asset Managers, Lenders and Lawyers that are familiar with the asset. Generally, our Restricted Appraisal Reports range from 2 to 30 pages, depending upon the complexity of the property.