Speaker 1 ([00:00](https://www.rev.com/transcript-editor/shared/18VvepTKf5YG-2WRe2Cz59zrJlmrxCfPtgDxMsHko060ttX5e46bw_EEEqoFKTSGyDl3NkhuQ7-UTIRfXnQNSWDJpwo?loadFrom=DocumentDeeplink&ts=0.48)):

You are watching Drive With NAR, the REALTOR® to REALTOR® series powered by REALTOR® Magazine. Tune in as real estate professionals talk twos of the trade and share stories of inspiration. Get ready to step up your business. I'm your host, Marki Lemons Ryhal. How can two real estate appraisers value the same property differently? It can be a frustrating and confusing situation for your clients, but there are things you can try to do to prevent this circumstance from happening. Today. We'll talk about the causes and different appraised values and what information you can share with the appraiser upfront to ensure a credible valuation. I'm joined by Lutalo McGee, owner and managing broker of Ani Real Estate and President Elect of the Chicago Association of REALTORS®, and Maureen Sweeney, a residential appraiser instructor, author, and the 2025 chair of the Real Property Valuation Committee of NAR. Both Lutalo and Maureen are based right here in Chicago. Thank you for joining us.

Speaker 2 ([01:09](https://www.rev.com/transcript-editor/shared/vPV3oR1LFmX4R0i0i6Y2S-TAnOx1cKcwSBylgDhSyOz5SnbS--_NMUkOZvlp3vmJ-Df0NpXGcYoFDTXILt8YNpISAfA?loadFrom=DocumentDeeplink&ts=69.33)):

Thank you.

Speaker 1 ([01:10](https://www.rev.com/transcript-editor/shared/VaOwlf4dcCam04hw6BzWnprCP-ldQ9mR5gte5yhDhKcGhosqU_VDsvtmcIPIZs99jy9Dp5HqaVkilR31oAg3UnkOleA?loadFrom=DocumentDeeplink&ts=70.74)):

NAR members should know how to communicate with their clients about real estate appraisals. So let's start with the basics. Maureen, tell us what an appraisal is and why it's important to the real estate transaction.

Speaker 2 ([01:25](https://www.rev.com/transcript-editor/shared/DvWwGAoZgS7bC_UcGhfgtvv6IdZ27pP3WZoQjZCYhBZOqtJBMBCNX13gCDVaBYa_HYfof_-96eF3w1X_KIaifEMJvOQ?loadFrom=DocumentDeeplink&ts=85.23)):

Thank you for the question. So an appraisal is an opinion of value, but the question is who is developing that opinion of value And the appraiser is the party who should be legally appraising the property and providing that opinion of value. An appraiser is somebody who provides credible assignment results, who is independent and partial and objective Appraisers must follow the Uniform Standard Professional appraisal practices, which is also known as UAP, and if the appraiser is a member of the National Association of REALTORS®, we must follow NAR's code of ethics as well.

Speaker 1 ([02:06](https://www.rev.com/transcript-editor/shared/EbB9dePiDDzTolqkxEFn7XfYP-1Ly8hHEigzQjooT42BOBOEkTAI58vYZqnpwHTUnQsedblCqvFj1DiK8OU4Nj24JAE?loadFrom=DocumentDeeplink&ts=126.63)):

Excellent. Lutalo

Speaker 2 ([02:09](https://www.rev.com/transcript-editor/shared/d_tEPaLNo571Yfq_nUK3rt-jVrXetq2yuRqqEPMcGyyxqhQY-IQ4tAIRbNFdTQbmG2UAczeLdTC9lDyAhSsPyYUjtRc?loadFrom=DocumentDeeplink&ts=129)):

Fact

Speaker 1 ([02:09](https://www.rev.com/transcript-editor/shared/IpDUE3UoODBpxZRzTNG9twPTWxVrxNT7Q3wRpRXTblcXXPREgz32RDnQXKpKXMyO9I81-xb3KAxoUXnVdBPOaFzkq-o?loadFrom=DocumentDeeplink&ts=129.54)):

Or fiction, A real estate agent cannot communicate with an appraiser

Speaker 3 ([02:15](https://www.rev.com/transcript-editor/shared/lgAy4z6oxo45qPPqK6aQW4jNJPK4xCN4gmmDgqKatAkWk-IiKC8VbdSq35mloLBL2-cta-rHyf1vjPHMLYoCitk0ajQ?loadFrom=DocumentDeeplink&ts=135.69)):

That is fiction Markey.

Speaker 1 ([02:17](https://www.rev.com/transcript-editor/shared/hQj0fR8uyCbMkJ_stQ41fsqJ4DeN1r193NKLMimt5ZojiaisSPrykDNqeU8ZnMXm58mKhdCcVUCbSdqelpvI0HAaE04?loadFrom=DocumentDeeplink&ts=137.34)):

Whoa.

Speaker 3 ([02:18](https://www.rev.com/transcript-editor/shared/Z5Y8ovpdR19FRyFJ_U_CgJBLBgmqn0ZGDURxNi2WsnM2kBzA3U517kAFTT_LNNk2J03N7dN9e_7TWWjr0DhcwJeoGpE?loadFrom=DocumentDeeplink&ts=138.69)):

In fact, they absolutely should communicate with an appraiser as an advocate of their clients.

Speaker 1 ([02:24](https://www.rev.com/transcript-editor/shared/kJ-ov8EpsxAgjPtRBX4pznZfzXtFd64FW1bMqygbjTjVQhNBEjzivbgHiAHyvrWcfy6Rzg6YAcNtm0kMWZrcqJR0cjw?loadFrom=DocumentDeeplink&ts=144.6)):

And what should they communicate?

Speaker 3 ([02:26](https://www.rev.com/transcript-editor/shared/cMrsVssuSeH_PiK29oA32rDAvh80r0YRDRHoVziQsU0Chb70HM0BArtS8lZP6UQyZOCdIcTkKKsg3uk5ZFgTcNfuU2U?loadFrom=DocumentDeeplink&ts=146.76)):

In essence, we represent the property, we represent the client, so when we're meeting with an appraiser or when we should meet with an appraiser, we should be providing relevant information about the property from the full address to the legal description, a survey if we have it, which is kind of a map of the property, any improvements that the owner did with the property, features of the property that we may feel like the appraiser may not see, or just kind of pointed out information about the interest in the property. So when I've met appraisers in the past, I've brought copies of the offers that came in on that property to show what the demand has been for that property, a number of things. If it's a condo, if it's a town home that's classified as a condo, I'm bringing governing documents regarding that condo or regarding that association. Everything about that property that I can gather prior to meeting, I'm going to give that to the appraiser because the more information they have, the more empowered they are to make a good decision or a pain of value.

Speaker 1 ([03:29](https://www.rev.com/transcript-editor/shared/a3yLBNc-ns-puG1uvj9hxdvHLLR9RzgCTtxxtB-Rc3-Wp80ikkLNDcaSTBQwwMcKEspJIojGFxnXDr3cQENWC6s5V9Y?loadFrom=DocumentDeeplink&ts=209.65)):

Excellent.

Speaker 3 ([03:30](https://www.rev.com/transcript-editor/shared/0M4CFzw_JLihQhyBwe5poXjmNDPy33mK2i7dU39nq1bLyzZ8QXHGHPKE_1suUG1-t5Ie-FxlWtw3_Xrg4uXVt7kp7ss?loadFrom=DocumentDeeplink&ts=210.19)):

Yep.

Speaker 1 ([03:30](https://www.rev.com/transcript-editor/shared/-nW_CuFhHv8iqKB4y2_uyn9vGvzEkJ46l2xKwgIO5hyE_id6hJNmYuBJR1b-oIumWlgz_Oz3Y1MgbQfXu4PkELHDNv4?loadFrom=DocumentDeeplink&ts=210.91)):

Maureen, why might two appraisers give different values for the same property?

Speaker 2 ([03:37](https://www.rev.com/transcript-editor/shared/l_vc9BbVK708ct6JwNr3C2pI1T96Z4c9Lu0dDy3DQbE1ahzjPunZVjyZhqPkoaC-DEdnPajD5ML8t60GxBVqkoYtRS8?loadFrom=DocumentDeeplink&ts=217)):

So there are several factors that could possibly take place. First of all, what is the effective date of the appraisal? Did the homeowner show up with an appraisal from a year ago and then compare it to something that was valued currently? So there could be a change in the marketplace and so therefore the effective date may be different and if effective date is different, then the appraised value could be different. The other factor, though, is how is the neighborhood defined? One of the things that I love doing when I am talking to a broker, and if let's say I call up Lutalo on the phone and I'm like, “Hi, Lutalo. My name is Maureen Sweeney and I'm a real estate appraiser. I need to schedule an appointment with you in order to value the property.”

Speaker 3 ([04:20](https://www.rev.com/transcript-editor/shared/47pS9DCHOFe_SzORA3Jg49tzDWPnedD_AN91rMSAE_PGdGhrWGXi82XT1TMpnZeSG0DT97bicx5B-CEBuIM6dHets4k?loadFrom=DocumentDeeplink&ts=260.79)):

Hey Maureen.

Speaker 2 ([04:21](https://www.rev.com/transcript-editor/shared/MFPpERJtVk7c5Np_GSJf-5k-CaNYXjxEUNVe6VPBjsHEsWvHa22ZXXDhejCGWJrhx3THpRLFHif1EezEtsJolSqQ04c?loadFrom=DocumentDeeplink&ts=261.7)):

Hey Lutalo. How are you?

Speaker 3 ([04:23](https://www.rev.com/transcript-editor/shared/N6xSvvIdFPak3t1ZNwbYYSNdAC5pDE_0AuCyxPP0LTeXozAlos9CnwjlLlKmEGF7GuTlsNrXfKq_yhwXxkvPY9wc2Uk?loadFrom=DocumentDeeplink&ts=263.13)):

I’m doing well. How are you?

Speaker 2 ([04:24](https://www.rev.com/transcript-editor/shared/W6nRDh7UPy-eQczs_B1CCtcNPZ7Efa7n7sBkI3MThABBw2T73Ke3RAy0UdWSgo78XuH2mAa80KDzkwenh7eyvzAiAkY?loadFrom=DocumentDeeplink&ts=264.07)):

I'm doing great. “Lutalo,” says, Maureen, “I’m appraising 123 Main Street, and so before I appraise the property, I need to get some information from you and so could I possibly, let's schedule the appointment, but beforehand, can you please provide to me via an email and why do I want it done?” Sending information via email, because if we send the information email one, it shows that you are sending me the information and so I receive the information from you, but it also is good for both of our work files. You need this information for your work file. You can say, “I sent it to Maureen Sweeney on this date at this time.” Boom. Why? Timestamped email. Then I can take that information and review it prior to meeting up with Lutalo. So, if I'm talking to Lutalo: “Hey Lutalo, how do you define the market where the subject property is located?”

Speaker 3 ([05:36](https://www.rev.com/transcript-editor/shared/qAwjKjQehNqDX0CpRtYPzXaHqMYn62_Og6cQklw1XfpvWhf-MNQXEUWYE2mhdNs0IXYZezluZMYCNaUYKPZjiDau1r4?loadFrom=DocumentDeeplink&ts=336.4)):

Yeah, absolutely, and if an appraiser asks me that question, I'm excited because then it allows me to give the information that I know about that property. I can think of certain areas and I won't point those areas out, but somebody may move in that area that's not familiar or want to and not realize that the school boundaries are different in that same area from another school. And some people want to be in the boundaries of a specific school. So when I'm talking to the appraiser, I'm giving them that information, not that the appraiser is not geographically competent, but I'm always going to approach the conversation as if that appraiser does not know about that area and I'm going to give them all the relevant information that they should.

Speaker 1 ([06:14](https://www.rev.com/transcript-editor/shared/MEh1s7yRH0oLrCDZ06N2MMPIZNSauHpPsQuFO7Uyzbo9l8nYxkuNt5YXxkxRgr0PLBGSntI_bvXDAQhOKhewHrMh1nE?loadFrom=DocumentDeeplink&ts=374.93)):

When the appraised value comes back lower than the contract price, Lutalo, what's your next step?

Speaker 3 ([06:21](https://www.rev.com/transcript-editor/shared/Klh-s4QmuhoiMd0hZF17ffIZnVUAjiA83HdzHCCva8crW0t4hdLnKVW90JVgMFSVW3gNH1JTw1Y24Q7QzTBrO1tYzuQ?loadFrom=DocumentDeeplink&ts=381.56)):

Yeah, so, because I have done a lot of work with appraisers and I actually have had appraisers come in to teach me how to read an appraisal as well as my agents, I actually read through the appraisal. I look at the comps that they selected. I look at the adjustments that they made to the comps in order to make it like the subject property. I'll even go through the report and look at the addendum to see if there's any language or any explanation as to why they chose certain comps versus other comps. If there is a concern, if I am in disagreement, then at that point I will advise my client that there may be a problem and that I'm going to actually go and do some research and see if there are any more pertinent comps that should have been included or used. If I find them, then at that point I'm going to advise my client that we can possibly prepare for a reconsideration of value.

Speaker 1 ([07:14](https://www.rev.com/transcript-editor/shared/kL1076U_5w4HtxxCbd8XQDMB3RUg51n02NBxZ7f_MAFEv4GY2Jpr4yxQqKGXk_L853rETT6nCm1K9J9NHn1FtGqvirA?loadFrom=DocumentDeeplink&ts=434.39)):

And what's a reconsideration?

Speaker 3 ([07:15](https://www.rev.com/transcript-editor/shared/ZJqpKXbhZiI3mifFhc6PUazntXZHFV-vNdTHWS5kGTZcbT5Qkg357aOUTVS4EpQD9NTtmHBKlVDW6uF41yOHRdH1bUM?loadFrom=DocumentDeeplink&ts=435.92)):

So, a reconsideration of value is basically a formal request by the lender to either an AMC or directly to an appraiser that says, “Hey, we have some concerns about this value. Can you go back and reconsider it? Can you go back and look at this report again, analysis again with these pertinent facts that were brought up by our client, the borrower or the borrower's agent?” And at that point, the appraiser can—well, I’ll let you take it from there—the appraiser can.

Speaker 2 ([07:45](https://www.rev.com/transcript-editor/shared/ZX53uRMqUKP9bA4_Q3zF9M-rMR0pPWdFKaVe9jfVxxlP7SX3zlyNgVljl9HWlGUbnurUoo_ECT0vJVC6xxUG5ow3j_8?loadFrom=DocumentDeeplink&ts=465.41)):

The appraiser has to look at these proper, look at the properties and then say why they are choosing to or not choosing to use these properties for the reconsideration of value. Just because a borrower wants to have a reconsideration of value does not necessarily mean that value is going to change. The broker has one opportunity to meet the appraiser to say, “Here are the sales, here's the property, this is why I priced it. Here are the listings. We had a bidding war. Here are the front sheets of the contracts that show indeed that I had eight offers, and this is the offer that we chose. And this is why, again, I can't stress it enough.” Brokers should get the email address of the appraiser, send all pertinent information to the appraiser. Why? Because we love data. Give me the data. I can accept data, phone calls, anything you want me to consider or any appraiser to consider, bring it us all the way up until the point where we transmit our credible assignment results to the client. Because once we send that, then we can't have the conversation's pretty much stopped.

Speaker 1 ([09:08](https://www.rev.com/transcript-editor/shared/ssGkpAw1MSAA7_8XBbUt8ro-iL1E4Tg106ek0ysUvvPe2_ozzOC2q22TsMptiUZvn7qrR8sGtGwM05kIBAk0WxAO4vk?loadFrom=DocumentDeeplink&ts=548.4)):

One thing that Frank Williams shared with us is that we should make it easy for the appraiser on a snowy day, make sure that we go and clear the snow so that they can access the property with no problems to always be present and be there. And then the National Association of REALTORS® also has the PSA class that allows us a little bit of insight from a real estate professional standpoint about if the subject is better at, because what I will tell you, when I was doing my comparative market analysis, I was doing them totally wrong until I completed the PSA course that gave me just a little bit more insight into how the appraiser thinks, which then allowed me to actually price the house better before it came to the market.

Speaker 3 ([09:55](https://www.rev.com/transcript-editor/shared/5ZzCrHNh40s8qHDA8zTw-nur-VJoQN9whFqPQ8hiE6Qv_c3xE1ri0ijSXiU0mHOT3czRzFzQ0lCRZXBGaC4qVA3Oo3g?loadFrom=DocumentDeeplink&ts=595.53)):

Here's a little bit of irony. Years and years and years ago, I took your class and I learned that from you, and it actually changed the way I did my CMA. So it's ironic we're talking about that now.

Speaker 1 ([10:06](https://www.rev.com/transcript-editor/shared/yXkBTKhPuYebuJ92wLcLqyrv_jfKCmc5L8HxWJaGE1FWT55IlWeLKu55RbKOF-Yb3o5PzUMTA65FpNtDj5z3b-MrJbY?loadFrom=DocumentDeeplink&ts=606.27)):

So the PSA class, although the real estate market is transitioning, we've seen recently that home buyers are waiving contingencies to win a bidding war. What are the risks of waiving the appraisal contingency Lutalo?

Speaker 3 ([10:21](https://www.rev.com/transcript-editor/shared/rCXnn0ardGzi0X8sTJTfMWm1epASqWXrUdvmIFSgvKMJKyE5QljgnNu6Yfvb_MeJ5MzX-q_KSNexPK2H0KY8_0UaRU8?loadFrom=DocumentDeeplink&ts=621.64)):

Yeah, the main risk is that you end up buying a property that is for a price that's above what you can sell it for. If you need to sell it for, if something shifts in the next couple months after you buy and you need to actually get rid of your property, you may be upside down, which if you have the cash, I guess theoretically you could just pay the difference. But if you don't, then you'll find yourself in a situation where you might have to do a short sale, which is a financial hit because doing a short sale requires your credit to be damaged. So I always caution people, like in tough markets, people want to go above the market value, and I can't say that they shouldn't, but I always want to give them the pros and cons of doing so because you don't want a property that is difficult to sell.

Speaker 2 ([11:12](https://www.rev.com/transcript-editor/shared/5c4t7W6CNVs44zD92pB-_x1QFhi_hzdacYcFj3EWWEArUNL5osAzn8cDFTTQjAM-YJAXnYYUNjthp_EfOOm0GHbbtQM?loadFrom=DocumentDeeplink&ts=672.48)):

Maureen, I'm going to look at it this way. The average marriage lasts 20 years in the United States. The average mortgage lasts 30 years. Think about the amount of time that one spends looking for the one versus how much time it takes to find a house, get your financing, get the appraisal, and then move. If you're going to waiving this for your biggest financial decision, to me, it seems very penny wise, pound foolish because for less 1%, it's like the cost of an appraisal when compared to all the other costs that are out there for the purchase of the home is minimal for peace of mind to know that your price is supported by the market value.

Speaker 3 ([12:14](https://www.rev.com/transcript-editor/shared/qI1LgRZVR24ZsxNIQydoVK-xML5pDS7fs_etP9R3J3yB5UGk-ZkzJNuftji-1WxFiPCBC5seaJx6RPiuLLOi7JJWRiY?loadFrom=DocumentDeeplink&ts=734.92)):

I slightly disagree with that only because I said in certain competitive markets, it might actually be to the benefit for a home buyer to weigh the appraisal, but if they do so they really just need to go in with their eyes wide open and make sure that they're making a decision, knowing the risk, and if they're okay with the risk, then fine, I won't have a problem with it. As a real estate professional, I just want to make sure that my clients are empowered to make the best decision.

Speaker 1 ([12:43](https://www.rev.com/transcript-editor/shared/6PyI3AFGOvfWCtALoUdl52pFlwwi4j6OYRwWHHv-0MYZDWZs6MPPoTOxSQbaiIQ0Y8Q6StleY_pp1_sChbWxgqv18_4?loadFrom=DocumentDeeplink&ts=763.66)):

But what's interesting, if they have a mortgage, the lenders going to loan on the lower of the two, the sales contract price or the appraised value. And so if that appraised value is coming in lower, what most buyers don't realize is not only do they have to make the discrepancy up, but then they also need to put their 3.55 or 10% down. So they need to understand what that means to them financially if it comes in lower.

Speaker 3 ([13:11](https://www.rev.com/transcript-editor/shared/tsQz_oLvV3B28iAWN709DVNOTHV-5jw3XTtcphBWKX52NgCwEr5Ah9G3XDfD6AUhRowQ9X7OEkPhXOsflzTMjyBucro?loadFrom=DocumentDeeplink&ts=791.23)):

Absolutely.

Speaker 1 ([13:11](https://www.rev.com/transcript-editor/shared/NZ-Pr8I-kFxxdqqJXReSOvpbRLjxXig5jKBKEFdsvB7wAaEOPEDCisbYq3S31yfT68t2wF8_U_mJrTTouMmj3ZrZCwg?loadFrom=DocumentDeeplink&ts=791.98)):

What are the current real estate trends in the world of appraisal advocacy that will help transactions move forward in the future? Maureen, because you are such an advocate, what are you seeing?

Speaker 2 ([13:26](https://www.rev.com/transcript-editor/shared/yGoLeBuxMNHrPnRzi1LE51yow21deJSGA6-z5ZyFJsXRARriGBgGEBncfEUSYxV1Ax9VhJd1cEFhAt4yWS50VS6T4zc?loadFrom=DocumentDeeplink&ts=806.14)):

First of all, it is my recommendation to know if the person who is calling on the phone is actually an appraiser. So a way to verify if the person calling you up and coming to the property is a licensed appraiser is to check the appraisal subcommittee's national registry. The appraisal subcommittee is regulated by Congress and they keep a national database of appraisers all licensed and certified appraisers throughout the country. If there's a discipline on our license that shows up, but this way, if the license is no longer valid, valid, exactly. If we don't have a valid license, it is registered on the national registry. Every state appraisal licensing agency inputs that information on a regular basis so it is current.

Speaker 3 ([14:23](https://www.rev.com/transcript-editor/shared/Mk2Ss2BDau-O5V68P4JRrEWpR2AZ1Idt-li-ewoe29K4Vj3c43H7H-oUBb9VuvDgmAzyrwvBfw6wnoOu1aoqAxgJP_w?loadFrom=DocumentDeeplink&ts=863.65)):

What Maureen is talking about actually happens all the time. Ironically, I just had someone call and identified himself as an appraiser, but some of the questions that he was asking me on the phone I knew were wrong. He asked me what price he see trying to get to. I knew it was a trigger for me, so I actually called Maureen to ask for advice in terms of how I should respond, and Maureen just ran with an idea, send me whole email of the law and everything that that person was supposed to be doing, and I was able to navigate it responsibly.

Speaker 1 ([14:58](https://www.rev.com/transcript-editor/shared/A0Hi7SX-qCyP3WKPXq3_yT6FSU3Jhtr5CZRpfrphs2zT4h8tSMu-w8U8OifnjNdMT0VRXpORb4xDDdOnmc-VaTqwiF0?loadFrom=DocumentDeeplink&ts=898.34)):

Now I have a safety question, right?

Speaker 3 ([15:00](https://www.rev.com/transcript-editor/shared/xAxDgNYgxwRNCaEFbbH8UqeagM7hMIAJQfAF2M6ABVBYOeKozvLlhwWj52R_AjuNq85Ib8ujCW-Q38XfUXMshDzBPkM?loadFrom=DocumentDeeplink&ts=900.32)):

Yep.

Speaker 1 ([15:00](https://www.rev.com/transcript-editor/shared/CCb2JJfMrhWCkkIgiSZstgzimoRGK98Smjzod4AEXF1qslQbycem3GWir5hETcVO_RW_7_ZinFt98odGdRniPi_dKsk?loadFrom=DocumentDeeplink&ts=900.68)):

Are they trying to gain access to the property or only to get data from you on your opinion as a broker?

Speaker 3 ([15:07](https://www.rev.com/transcript-editor/shared/MOqUc7ICfOZqiprGTOTh0m6X2MF2XbCgTi6SMPujc1AwGQRfyVvqGmQTmFTmVmsVyGk1gp803gg4PqjOblWccsx6GbY?loadFrom=DocumentDeeplink&ts=907.88)):

So, I think in this situation, they were actually doing a BPO, a broker price opinion, that identified themselves as an appraiser, and the person was a licensed real estate professional because did the whole research on it.

Speaker 1 ([15:23](https://www.rev.com/transcript-editor/shared/Rw2o8bIVVj5ogZr7rubUsKfCqjHkHuSTqEhY0isxKSFqAgb6FekmQpGyK8X6rDQfIfrwna5xPnr5_ud1wsCo4V8QJsk?loadFrom=DocumentDeeplink&ts=923.51)):

So they lied and by licensing law there not supposed to lie, and then they were unethical according to the code of ethics, correct?

Speaker 2 ([15:31](https://www.rev.com/transcript-editor/shared/kAFa80FH9VycG_RxeoDFPHZ9t7rZxpUX1Ln9SM6AUj1I6UiOADdBp-7dEeQ-oZ8a1PufNRSvPN_C1R8CdR0TgHKGQEA?loadFrom=DocumentDeeplink&ts=931.46)):

Correct. When this happens, this is where Lutalo called up, I was like, let's check this out and see if he is registered with the appraisal subcommittee, and I just went right to the national registry and did not see this person's name, and therefore that put up a red flag because what do we do as brokers and agents? Your job is to protect your client and work their client interest. My job as an appraiser is to protect the public trust. And so when we see something or our Spider-Man senses are saying, “Oh, there's something weird that's possibly happening, this isn't normal,” pick up the phone and make a phone call. And this is where open communication between brokers and appraisers is a good thing. You said that this guy was like, “Hey, what kind of value do you need? Do you need an up value or a down value?” Well, realistically, appraisers by law and professional standards, we may not use price as one of our search criteria. Why is that? If we used price as our search criteria, then we have a preconceived notion as to what the value is before we even walk in. So therefore, I can look at everything else like number of bedrooms, number of baths, where's it located? What is type of ownership? Is it a condo? Is it part of a master plan community, so therefore there's an assessment and you're governed by covenants, conditions and restrictions? Is it brick? Is it a three flat? There's so many search criteria out there. I can use all of them except price.

Speaker 3 ([17:21](https://www.rev.com/transcript-editor/shared/c2SiwEenr43CixOc1iHlsIdtBKkNKL4rfU8V2ijhsSiDVsTe6t5xmw_qhV3kpnaE16uPoFUl8O8ykdJPu_xIxeTausE?loadFrom=DocumentDeeplink&ts=1041.71)):

Yeah.

Speaker 1 ([17:22](https://www.rev.com/transcript-editor/shared/8A3OF21MoJR5YbsveH7Z3MWyZ5FGU4hpauw4FvGiUlS5qFiKM5oUlaD4HqrZIa0FbAj_qcGxweqT-i-JttNZYXCd40U?loadFrom=DocumentDeeplink&ts=1042.42)):

Now, I did not know that.

Speaker 3 ([17:23](https://www.rev.com/transcript-editor/shared/Et68sW2OEhQ6_OiBC7sei-Z3egx9WigbCD22yFPPcsoyZNpLa4T0K0cy2UoNhIIj3JArABM7GEwXytMHUwBEgLrSHbE?loadFrom=DocumentDeeplink&ts=1043.84)):

Yeah. One of the other things, and I know we probably beat this horse dead, but one of the other things that triggered me is that he said that he was trying to help me out, and I was thinking, you're not here to help me out. You're here to give an unbiased objective opinion of value. I can give you information about the property. I shouldn't give you information about the property, but we're not conspiring together to a particular value.

Speaker 2 ([17:50](https://www.rev.com/transcript-editor/shared/ZFezCEqX7FHpM-Vl9gPaPYeqdQKuHFm84q1oqEX5QrXx_qJF49cTnhkmHBUjDnaBGRh01gFIy_pRndfdAjv8GSrarEw?loadFrom=DocumentDeeplink&ts=1070.34)):

No, that's collusion.

Speaker 3 ([17:51](https://www.rev.com/transcript-editor/shared/pbrsxwWy9N1N1tuQfLwF9ciO6mYL1jGnPrRkPhRY250TSH8RZzyVraTWRj2fzgHfRGa7TsW2HrMSlGGpGASOsmnVh6s?loadFrom=DocumentDeeplink&ts=1071.64)):

Yeah.

Speaker 1

Oh, no collusion.

Speaker 2 ([17:52](https://www.rev.com/transcript-editor/shared/ifc_AHBNL48k3oDdLa8n_33G_Kt_h0xVs3cDOj1Ff5e2zmdB6kuvgShca3tLmRI5NoreTa0sVLSVrMeXsNFstzVRtRs?loadFrom=DocumentDeeplink&ts=1072.43)):

And I've got to be independent. At the end of the day, Lata and I could go, Hey, let's go out and have a cup of coffee. Let's chat. Let's talk about a thousand things. But when we're doing business as a broker agent, he is advocating for the cause of his client, and I must be independent, impartial and objective. I have no other choice about it.

Speaker 1 ([18:24](https://www.rev.com/transcript-editor/shared/LymgAlCwXWb5lkd0Uvomq2tD1uzqv-CYfIi4dPDNmWLhtMdbY10QttfqHsSsUm1e2wo8pqOyi6AZRRjt9969rvdLMGY?loadFrom=DocumentDeeplink&ts=1104.03)):

Wow. I appreciate you both for being here today to discuss this very important topic that will help NAR members understand appraisals. Thanks again for joining us today. I'm your girl Marki Lemons Ryhal, and I'll see you next time. Thank you for joining us at Drive with NAR, the REALTOR® to REALTOR® series. Tune in every month at magazine.realtor/drive or subscribe wherever you watch your podcast. Find more tips to boost your business at magazine.realtor.