

Selling Your Home

The Appraisal

If the buyer is using a mortgage to buy your property, then the lender will require that an appraisal be conducted.

What is the appraisal? *An appraisal is completed by a licensed appraiser to provide evidence to the buyer's lender that the value of the property is equal to or more than the purchase price.*

Who orders the appraisal? The buyer's mortgage lender orders the appraisal, but the buyer pays for it.

When does the appraisal occur? Usually after the buyer's home inspection is completed and buyer's request for repairs has been agreed by both buyer and seller. Typically, the appraiser will make appointment to view property within 10 business days from the date it is ordered/assigned by the mortgage lender.

Do I need to attend the appraisal? No, you will not attend the appraisal. Most appraisers have an MLS key, or they will call for me for access.

How long does the appraisal take? Usually about 15-30 minutes.

How long until we know if the property appraised for the purchase price? Usually, a week to 10 business days after the appraiser is assigned the order. Once the report is written, the buyer's mortgage lender will review it and forward it to the buyer to let the buyer know whether the property appraised at the purchase price, below the purchase price, or above the purchase price.

If the property appraised at the purchase price, nothing further needs to be done and the closing process will proceed forward as planned. If the property appraised for less than the purchase price, we have a problem. That means the bank will only give the buyer a loan based on the appraised value. In this case, the buyer will often submit for a purchase price reduction to the appraisal price. If this is not acceptable to you then we can counter. However, the buyer has the option to rescind the offer.