

MORTGAGE VS RELOCATION APPRAISAL

MORTGAGE APPRAISAL	RELOCATION APPRAISAL
Reporting format: <i>Uniform Residential Appraisal Report</i> Comprehensive analysis	Reporting format: <i>ERC Summary Appraisal Report</i> Expanded analysis of market trends
Intended Use: Facilitate mortgage lending	Intended Use: Facilitate corporate relocation
Purpose: Develop an opinion of market value Value definition: market value Exposure time precedes date of appraisal Marketing period: Normal (without limit) Financing considerations: Cash equivalency, no adjustments for normal seller costs Type of analysis: Retrospective analysis; no forecasting	Purpose: Develop an opinion of anticipated sales price Value definition: anticipated sales price Marketing time occurs after date of appraisal Marketing period: Reasonable (not to exceed 120 days) Financing considerations: Cash equivalency, adjustments for sales and financing concessions Type of analysis: Prospective analysis; forecasting
Decision making: Long term (up to 30 years) Lower risk	Decision making: Short term (up to 120 Days) Higher risk
Items for consideration: Identifies: condition, design, and appeal	Items for consideration: Emphasizes: condition, design, appeal, interior decor, repairs and improvements
Comparables: Requires closed sales	Comparables: Requires closed sales and competing properties and considers pending sales
Photographs: Subject's front, rear, and street scene, comparable sales	Photographs: Front, rear, street scene, and interior views of the subject; any adverse conditions and inspection concerns; factors within view from the subject property that significantly affect marketability either favorably or unfavorably; comparable sales; competitive listings.

*The above chart was prepared by RAC member Alvin "Chip" Wagner III, SCRPA, IFA.
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 He was the 2001 President of the Chicagoland Corporate Relocation Council and
 member of ERC's MOBILITY Editorial Advisory Committee.*