

the property for them. In this circumstance, you may be able to satisfy your current client by identifying your for-

ically requested that you not disclose to anyone in the future that you ever appraised the property. In that circum-

stances, you should take steps to protect the confidential nature of the appraiser-client relationship you have with your former client.

Comp Search or Appraisal?

Recently there has been a noticeable increase in the number of requests for a comp search. These may take the forms of requests such as “We need comps for this property that will support a loan of \$100,000. Please provide 6 sales.” Usually the client will state that there is no need for a property inspection or any other fieldwork. Often the fee, if there is one, is minimal.

Some appraisers consider this type of a request a preliminary appraisal. If they feel they can get the value the

client wants, they inform the client and hope to receive an assignment for a “full” appraisal.

Appraisers need to understand that whenever they give a value or range of values for a property, they are doing an appraisal. The comment to the definition of “Appraisal” in USPAP states “An appraisal must be numerically expressed as a specific amount, as a range of numbers, or as a relationship (e.g., not more than, not less than) to a previous value opinion or numerical benchmark (e.g. assessed value, collat-

eral value).” If appraisers do a comp search and tell the client that they have 6 comps that would support a loan of \$100,000, they have performed an appraisal.

There is no such thing as a preliminary appraisal. If an appraiser values a piece of property in any way, it is an appraisal, and both Standard 1 and Standard 2 apply. If the appraiser gives the value orally, the appraiser must comply with the requirements of Standard Rule 2-4.