

FREQUENTLY ASKED QUESTIONS

What is an appraisal?

An appraisal is a professional appraiser's opinion of value. The preparation of an appraisal involves research into appropriate market areas: the assembly and analysis of information pertinent to a property: and the knowledge, experience and professional judgment of the appraiser. A Brokers Price Opinion (BPO) or a Competitive Market Analysis (CMA) is not an appraisal.

What is the role of the appraiser?

The role of the appraiser is to provide objective, impartial and unbiased opinions about the value of real property - providing assistance to those who own, manage, sell, invest in and /or lend money on the security of real estate. At Molinari & Associates, P. C. , we take this role seriously; we understand how important our role is to our clients; and, we adhere to providing an objective, impartial and unbiased opinion.

What qualifications must appraisers have?

At minimum, all states require appraisers to be state licensed or certified in order to provide appraisals to federally regulated lenders. However, appraisers who become designated members of the Appraisal Institute have gone beyond these minimum requirements. They have fulfilled rigorous education and experience requirements and must adhere to strict standards and a code of professional ethics. The Appraisal Institute currently confers the SRA membership designation on those who are experienced in the analysis and valuation of residential real property. Edward T. Molinari is a SRA designated member. Helen Montagnaro and Justin Molinari are associate members of the Appraisal Institute and have successfully completed courses beyond the minimum requirements.

Do appraisers attend continuing education?

The New Jersey State Board of Real Estate Appraisers requires licensed and certified appraisers to attend 28 hours of continuing education every two year cycle. At Molinari & Associates we believe that is not enough. Our appraisers attend more qualifying and continuing education because we want to be better. We attend professional courses and seminars, sponsored by the Appraisal Institute, to stay up to date with changing technology and techniques. The principal of the firm, Edward T. Molinari, is an instructor for the Appraisal Institute and understands the importance and value of education beyond the minimum requirements. Our resolution to continuing education benefits our clients.

What are the components of an appraisal report?

Most appraisals are reported in writing, although in certain circumstances, an appraiser may provide an oral appraisal. A written appraisal report generally consists of a description of the property and its locale, an analysis of the “highest and best use” of the property, an analysis of the sales of comparable properties ”as near the subject property as possible,” and information regarding current real estate activity and / or market area trends. We will take the time to explain the various report options and advise you on the appropriate type of report.

What are the most important considerations in the valuation of real property?

The value indicated by recent sales of comparable properties, the current cost of reproducing or replacing a building, and the value that the property’s net earning power will support are the most important considerations in the valuation of the property. These are known as the three approaches to value.

When hiring an appraiser, what types of questions should you ask?

The following questions would be appropriate:

- Are you licensed or certified in the state in which you live?
- What professional designations do you have and from what groups?
- How long have you been in practice?

- What level of experience do you have in this particular market and with this type of property?
- Are you familiar with this neighborhood?
- What types of clients have you had (homeowners, estate, lenders, relocation companies)?
- Can you provide your written qualifications?
- What will your service cost and how much time will it take?

Why choose Molinari & Associates, P. C. ?

Because we provide our knowledge, experience, impartiality and trust. In so doing, we help our clients make sound decisions with regard to real property.

How much does an appraisal cost and how much time does it take?

That depends on many issues. Every assignment and every property is different. The cost and time frame depends on the complexity of the property and assignment, the scope of work, and the amount of time and resources we need to professionally and accurately complete the assignment. We understand that some clients want a quick and low cost appraisal. We respect their needs but that is not the service we provide. We recognize the dangers in rushing through an appraisal and we understand how important an accurate and reliable valuation is to our clients. Call us: we will ask you questions to determine exactly what you need, and how we can best help you, what it will cost and how much time it will take.

What types of services do we provide?

Appraisals and/or consultation for:

- Estate planning and estate settlements
- Tax appeals (for the property owner or the taxing authority)
- Eminent domain and condemnation (for the Condemnor or Condemnee)
- Dispute resolution – including divorce, estate settlements, property partition suits, foreclosures, and zoning issues
- Employee relocation

- Collateral decisions, foreclosures, and workouts
- Buying or selling a property
- Cancelling private mortgage insurance
- Charitable contributions of real property
- Loss of value
- Easements for utilities, rights of way, preservation, or conservation
- Feasibility studies
- Expert witness testimony and litigation support
- Cost/benefit or investment analysis, for example, determining the financial return on remodeling
- Supply and demand studies
- Market rent studies

We have provided our service to: property owners; corporations; attorneys; Courts; accountants; trustees; non-profit organizations; municipal, county, and state governing bodies; banks and credit unions. We conduct careful and professional inspections, thorough research and analysis, detailed and well written reports and continued service to assist our client's needs.

What geographic area do we provide our services in?

The southern New Jersey counties of: Gloucester, Sale, Camden, Burlington, Cumberland, Atlantic, and Cape May.

Some of the content above has been provided by the Appraisal Institute. To view the full text of the Appraisal Institute's consumer brochures, please visit www.appraisalinstitute.org/findappraiser/brochures.aspx