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Understanding the information revolution as an appraiser

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Whether or not we are aware of the situation, we are in the midst of a revolution - an information revolution. At no time in human history have we ever had so much information available at our fingertips than at the present. As long as we have a computer and internet access, we can research any topic at any time of the day or night and get instantaneous results. All this information has made our lives and jobs infinitely easier and incredibly more complex. This is particularly true for appraisers.

Of primary concern is the accuracy of the information. Not all information found on the internet is reliable. At times, the information is incomplete or incorrect. But, that has always been the case, whatever the source of information. One of our most important tasks as appraisers is to check out the data. Often in the course of executing our responsibilities we come across conflicting information. This can pertain to the square footage of a building, the acreage of a land parcel, the sale price of a property, the terms and conditions of a sale. We need to identify the most current and reliable source and reconcile any differences.

When I first started in appraisal, information was gathered by going to the various town halls and conducting research at the assessor's office, the planning department, the code enforcement office, the economic development office; visiting the registries of deeds to verify transfer data; calling selling and listing brokers to confirm selling prices and terms of sale; physically visiting the area Chamber of Commerce. Additional information was obtained by visiting the reference section of the library. Needless to say, this was a very time consuming process.

Today, the same information is mostly gathered via the internet and e-mail. Most municipalities are on-line with assessment and zoning data with GIS overlay mapping. Many county registries are also on-line and generally user friendly. Flood maps are readily available on the FEMA website. Soils data is available from the US Department of Agriculture website. Wetlands maps, vernal pool maps, aerial photographs are all on-line. This information is readily accessible at our desktops and laptops. Brokers involved in sales transactions can be contacted by e-mail eliminating the need for a call back. Without a doubt, the internet and e-mail save the appraiser an inordinate amount of time.

Multiple subscription services are coming into being that facilitate our job. A number of these services links various information about a particular property or property type. All we need to do is type in a specific address to obtain the sales history, assessment information, flood hazard data, rental data, zoning, deed information, and the like on that property. Or we can draw a shape on a map and get almost limitless information on that location such as the demographics of the area, income levels, education levels, retail sales figures, etc. These services can be quite expensive to subscribe to, but the information received can be well worth the cost in time savings alone.

All this information is indeed helpful. Our challenge is to interpret the data and to understand what data is irrelevant and what data is essential in developing a meaningful value conclusion. The

appraiser now more than ever must be a real estate analyst to be most useful to our clients.
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