



nerej

Help! Help! I'm the messenger and I've been shot!

September 08, 2011 - Appraisal & Consulting

A postcard arrived in the mail a few weeks ago advising me that Amidon Appraisal Company had been reviewed on Angie's List. For the uninitiated, Angie's List is a web-based membership service that compiles ratings of companies and contractors. I didn't pay much attention to the notification, and casually passed the info onto my associate. Curious about the review, my associate pulled up Angie's List on the computer to take a look. It was not a pretty picture.

The review was written by an owner whose property I appraised this past winter. I remember the appraisal well. I inspected the property with the owner who gave me information about recent capital improvements, future plans and the like. I also recall feeling very confident about the value conclusion and the overwhelming market evidence that supported that conclusion. The client for this particular assignment was a financial institution to which the owner had applied for a mortgage using the property as collateral.

The property owner was not at all happy with the appraisal. According to the review, the owner is of the opinion that their property is worth well in excess of \$1 million. Needless to say, the value I generated was not of that magnitude. Due to a number of factors, the owner said that they were forced to accept the appraisal and go ahead with the mortgage. They further went on to say that the fee charged for the appraisal was a waste of money, did not serve their needs, and so forth. You get the picture.

Angie's List does provide a space for the service provider to respond to the review. However, as an appraiser, I am bound by the confidentiality provision of the Ethics Rule of the Uniform Standards of Professional Appraisal Practice. Therefore, I am not permitted to discuss the particulars of the appraisal in such a public forum. In addition, the property owner was not our client nor does the owner have the required skills or training to adequately review an appraisal.

Our job as appraisers is not to come up with the value that the owner believes their property is worth. Our job is to reflect the amount a willing buyer will pay for a property being sold by a willing seller as of a specific date based on available market evidence. In today's economic climate, what an owner thinks their property is worth may be worlds apart from what the market indicates the property is worth. Blaming the appraiser for the loss in value is akin to blaming your doctor for telling you that you are suffering from a serious illness.

So what is an appraiser to do under these circumstances? My associate did contact Angie's List and explained that the writer of the review was not our client and that we offer a professional service that requires extensive training and experience and that someone without that training and experience cannot adequately review our work product. Therefore, the review should be removed. Angie's List contacted the owner/reviewer who insisted otherwise. As the situation stands now, unless the

owner/reviewer can prove that they were the direct client of Amidon Appraisal Company, the review will be removed. If not, we may be forced to take legal action.

Pat Amidon, MAI, is president of Amidon Appraisal, Portland, ME.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540