

The SAMCO Bulletin Board



John Shives
SAMCO AMC
President / CEO
Phone # (888) 832-1129
Fax # (866) 905-4851



Comparable Sale Photographs

There has been increasing pressure from Samco's clients on the subject of photographs, specifically comparable sale photographs. There is one client who allows MLS photographs if the neighborhood is Rural and the comparable sales are over five miles in distance, but that is a rare exception. All other clients require the appraiser to physically inspect (drive by) the comparable sale and document that with an original photograph. Here's why.

Fannie's Selling Guide states under Unacceptable Appraisal Practices:

The following are examples of unacceptable appraisal practices:

- Use of comparable sales in the valuation process when the appraiser has not **personally inspected** the exterior of the comparable property;

AND under Exhibits for Appraisals:

- Exterior photographs. Clear, descriptive photographs showing appraiser's files Fannie does give the appraiser an 'out' for not driving to a comparable sale that you have inspected before by allowing a file or MLS photo, BUT on the Certification page of your pre-printed appraisal forms it states under the pre-printed Scope of Work:
- (2) inspect the neighborhood, (3) **inspect each of the Comparable sales from at least the street,**

Did you know that this language on the Certification page was written by Fannie? That's right. The appraisal form that you utilize everyday in residential appraising is Fannie's. They wrote it, and they WANT you to inspect each comparable sale, not just you have driven by it sometime in the past. That doesn't fly.

Different underwriters with different lenders will have different interpretations and requirements; this is life and just a fact. But SAMCO is setting a firm requirement that meets all of our client's requirements; the appraiser must physically drive by the comparable sale and document that with an original photograph. If the subject is too far off the road or the view of the comparable is blocked by vegetation, then a photograph of the view from the road and a photograph of the mailbox with number is required. You are then to supplement these photographs with an MLS photo, identifying all and the reason for all. Remember, the reader of the report might need all of that to properly understand.

If a photograph cannot be taken without people being in the scene, then a photo of at the least a corner of the property, portion of the property with the street number on it, or the mailbox with number and/or street scene would be snapped. This is to be provided with the MLS photograph and an accompanying explanation, proving the appraiser did inspect the comparable sale as the Scope of Work certifies.

***DISCLAIMER:** This article cannot be reprinted without permission.

***ATTENTION MULTIPLE APPRAISER COMPANIES:** Please forward the supplied information to each appraiser within the company.