

The SAMCO Bulletin Board



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Assemblage

Many appraisers recognize this term. It is actually stated in USPAP Standards Rule 1-4(e). **“When analyzing the assemblage of the various estates or component parts of a property, an appraiser must analyze the effect on value, if any, of the assemblage. An appraiser must refrain from valuing the whole solely by adding together the individual values of the various estates or component parts.”**

Assemblage can come in many forms; a purchase price of an undeveloped site and the purchase price of a new modular or manufactured home is a typical example, or another, two homes on one indivisible site. The value of the whole (site and manuf. home, two individual residences) must be tested by the appropriate data and supported by the appropriate analysis of that data.

As the Standard makes clear, the value of the whole may be equal to the sum of the separate parts. It also may be greater than the sum, or as I see many times, the estimate of value is less than the sum of the parts. Whatever your estimate of value, it must be supported by the best data available and with a detailed analysis discussing your logic. This does influence your scope of work, which is the “type and extent of research and analyses in an assignment”. This in turn may affect the appraiser’s time and effort, which in turn affects the fee. If this is the

case, SAMCO needs to be informed immediately, as our client (yours and mine) needs to be informed of the possible non-conforming character of the subject and a revised fee.

Communication in a timely manner is critical for client satisfaction. You and I can't change the physical and technical challenges of an assignment, but we can provide the best client service possible by timely and clear communication. This is what makes appraising real property exciting - that unknown factor which can stretch our abilities and comfort zone. Working together we can be the best, for ourselves, and for our clients!

NOTE: Appraisals are as unique as the individual subject properties. SAMCO understands that occasionally there will be an appraisal that simply will not conform to Fannie/Freddie guidelines. In those instances a very complete "My Comp Search and Results" paragraph is required. SAMCO also understands that the appraiser's best comparable may not conform to guidelines. In that instance though, those comparables that do not meet guidelines should be placed in the second grid, as supporting information..

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