

What is Appraised Value?

It's an objective opinion of value, but it's not an exact science so appraisals may differ. For buying and selling purposes, appraisals are usually based on market value—what the property could probably be sold for. Other types of value include insurance value, replacement value, and assessed value for property tax purposes. Appraised value is not a constant number. Changes in market conditions can dramatically alter appraised value. Appraised value doesn't consider special considerations, like the need to sell rapidly. Lenders usually use either the appraised value or the sale price, whichever is less, to determine the amount of the mortgage they will offer.



Pat Mueller

Associate Broker

**Charles Reinhart Company-
South**

734-669-6833 Desk

734-769-3800 Office

734-669-4713 Fax

<http://PatMueller.com>



Used with permission from Kim Daugherty, Real Estate Checklists and Systems, <http://www.realestatechecklists.com/>
www.REALTOR.org/realtormag Page 45 Reprinted from REALTOR® Magazine Online by permission of the
NATIONAL ASSOCIATION OF REALTORS®. Pat Mueller, REALTOR, Broker Telephone: 734-709-8540 Email:
pat@patmueller.com Copyright 2003. All rights reserved.