



Presented by
Assessor-Recorder Torres
July 26, 2022

Family Wealth Series: Homeowner Resources
Secure a Fair Appraisal

Agenda

- By the Numbers
- Racial Equity Plan
- Estate Planning
- Digital Family Wealth Series & SPUR
- *Secure A Fair Appraisal*: Michael Louie & Alfred Barber



Office of the Assessor-Recorder's Role



Primary Office Responsibilities

1. Assess property
2. Transfer Tax Collections
3. Grant exemptions
4. Record documents

By the Numbers

ASSESSOR

211,500

Number of parcels

\$332 B

Total assessed value

\$3.7 B

Annual property tax revenue

\$20 B

Exemptions granted

RECORDER

\$513.4 M

Transfer tax revenue

\$72 M (to date)

Transfer tax audit program

250+

Document types

150,000

Documents recorded a year

Racial Equity Plan

1. Attract, retain, and promote underrepresented people of color
2. Create a culture of inclusion and belonging
3. Work toward being an anti-racist organization
4. Reject tokenism
5. Ensure diversity in every division
6. Be aware of our individual biases
7. Create a space where everyone feels comfortable expressing their identities

Community Engagement



Estate Planning

PLAN YOUR FUTURE TODAY

FREE to very low-cost Estate Plans for San Francisco
Southeast and Western Addition Households*

Estate Plan Services

- Includes 1-1 legal counseling
- Financial workshops
- Complete estate plan: documents include a will, living trust, healthcare directive, and power of attorney.



2022 Digital Family Wealth Series & SPUR Panel

*August 11, 5PM: Answering the Call to Build Equitable Housing
In collaboration with SPUR*

Contact:

Office of the Assessor-Recorder

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City Hall, Room 190, M-F 8AM-5PM

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Presented by
Michael J. Louie,
Real Property Appraiser

San Francisco
Office of the
Assessor-Recorder

Secure a Fair Appraisal *Part 1*

Agenda

- My work experience
- What is an Appraisal? Facts and Myths
- The Role of a Real Estate Appraiser
- The Home Loan - Appraisal Process from Beginning to End
- Getting a Fair Appraisal. Your Responsibilities.
- Al Barber – Tips, Factsheet, Appeal
- Q&A



Michael J. Louie

Real Property Appraiser

Past Experience

- Appraiser with lenders and self-employed – property inspections
- Appraisal Reviewer – review other appraiser reports for valuation and other issues
- Management – maintained bank approved list of over 2,000 appraisers as well managed in-house staff of appraisers and reviewers
- Bulk Loan Purchases and Sales Team – Traveled nationally to review appraisals in loan packages for asset risks as part of in-house portfolio investments. Graded risks and obtained insurance on loan packages for sale to investors.



What is an Appraisal?

Facts and Myths

Facts

- Appraisal value is an opinion of ONE appraiser
- Appraisal value for loans looks back in time for comps
- Appraisals can be full report with inside inspection or drive-by report – depending on loan amount or Loan to Value

Myths

- Appraisal does not establish worth of your property
- Loan appraisal does not predict future value for your property
- Appraisal does not increase your property taxes



The Role of a Real Estate Appraiser

- Main interest to protect lender's loan amount
- To be the eyes of the lender for safety hazards or illegal uses
- Competent in area appraised
- Fair and impartial to homeowner – race, religion, income, wealth, rapport, communication, etc.



Appraisal Process – Beginning to End

- ☐ Bank or management company contacts independent fee appraiser for assignment
- ☐ Appraiser does search of property information and some nearby sales before inspection
- ☐ Appraiser comes out to inspect and measure property
- ☐ Appraiser selects sales based on property characteristics after inspection
- ☐ Appraiser completes report with description of property and provides a sketch, outside and inside photos of your property, outside photos of sales used, and location map



Appraisal Process – Beginning to End (Behind the Scene)

- 1) Bank's review department looks at appraisal for over-valuation, safety hazards, illegal uses, and languages and photos conflicting with Fair Lending guidelines
- 2) Review department may condition for appraisal changes and may even lower value itself
- 3) Bank funds loan
- 4) Appraisal part of loan file
- 5) This loan file become graded and insured as to risk for lender or investor
- 6) Loan is placed in a larger package of various loans
- 7) Loan package sold in the secondary markets within 2 weeks after funding



Appraisal Process – Checklist

Before Inspection

- ✓ Put away personal photos and controversial artwork and items
- ✓ Clean up excessive trash or hoarding
- ✓ Make list of significant improvements within past 10 years for appraiser

During Inspection

- ✓ Be respectful to appraiser's time
- ✓ Do not ask appraiser about value
- ✓ Hand over a list of improvements completed
- ✓ Hand over any similar sales for consideration

After Inspection

- ✓ Should get copy of appraisal report
- ✓ If disagree with value, talk to bank reviewer for reason and get reconsideration

YOUR HOME AS SEEN BY



YOU



YOUR BUYER



YOUR APPRAISER



YOUR LENDER



YOUR PROPERTY TAX ASSESOR



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Secure a Fair Appraisal Part 2