

# What to Expect During the Appraisal

## Why do I need an appraisal?

An appraisal is required by the Federal Housing Administration (FHA) to determine your home's value and to make sure your home is safe and structurally sound. FHA mandates that appraisers inspect the home for items that may represent a risk to your health and safety of the soundness of the property. Minor cosmetic issues are typically not a concern.

## What will the appraiser be doing?

The appraiser will inspect the interior and exterior of your home.

The interior inspection is a walk through. The appraiser may turn on and off some light switches and run water in the sink or flush the toilets. Also, the FHA requires the appraiser to visually inspect the attic and crawlspace. The appraiser will take notes, draw a diagram of your home and photograph the interior. The exterior inspection consists of the appraiser taking pictures of your home, and measurements in addition to inspecting the exterior, roof, windows, and foundation. If you have a well and septic tank, the appraiser will need to measure the distance between them and the home.

## How long will the inspection take?

A typical appraisal inspection will take about an hour to complete.

## What happens after the appraiser leaves?

The appraiser will look at comparable homes in your local area as part of the process for determining the home value. The appraiser generally needs a few days to complete the entire appraisal report. Once the appraisal report is complete, the appraiser will electronically submit the report to Liberty Reverse Mortgage (Liberty).

## Will I need a second appraisal?

As of October 2018, the FHA performs a Risk Assessment for each appraisal. The FHA will determine if the appraisal is acceptable or if a second appraisal is required. This review generally takes 24 hours for the FHA to make the determination. If a second appraisal is required, a new appraiser will be calling to schedule an appointment to inspect your home. Your loan processor will keep you informed throughout the process.

## Helpful Tips to Prepare for Your Inspection

Complete these items in advance to reduce the need for the appraiser to return to complete the inspection:

- Provide unobstructed access to the attic and crawl space. The appraiser will need to look inside.
- Ensure your smoke detectors are installed and functioning.
- Ensure your water heater has proper strapping.
- Ensure you have carbon monoxide detectors installed and functioning.
- There is no need to scrub your house clean. Appraisers do not judge based on cleanliness or housekeeping skills, but decluttering can help the appraiser see your home a bit better.



## To learn more, contact:

This material is not provided by, nor was it approved by the Department of Housing & Urban Development (HUD) or by the Federal Housing Administration (FHA).

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