

Countering a Low Appraisal

by Isaac Benmergui, Esq

According to a study by the National Association of Realtors, one in three real estate transactions runs into trouble when it comes to the appraisal. The appraisal is a key part of the home buying process, since the bank won't issue a loan for more than a home is worth. It's just too risky—any fluctuation in the market, and you'll be upside-down on your mortgage and at risk for foreclosure.

First, be sure that your real estate agent is partnered with a good appraiser. Ask how long he or she has known the appraiser, how much experience the appraiser has in your city and your area specifically. Ask how many successful real estate deals they have been a part of.

Next, know whether the home is being appraised for a conventional loan or a VA loan. The recourse to challenge the [appraisal](#) will be different for each. If the appraisal doesn't come through on a conventional loan, you can informally challenge it, or get a new appraiser and conduct another appraisal. VA loans offer the “reconsideration of value” process.

If your [appraisal](#) comes in under value, first check all the information in the report for accuracy. Then, compare it to the data in the multiple listings service. Also check the information on the comps used in the appraisal against their MLS data.

Even if you don't find any errors, the next step is to gather supporting information. Details that have nothing to do with the home's value may have factored into one of the comps. A home sold by-owner, in a hurry to get to a job in another city, or settle a divorce may go for less than market value, and that affects the comps for your home. Once you have the information to support the need for a new appraisal, send them to your lender. These details could change the appraisal and save your sale.

Call [Miami Real Estate Lawyer Isaac Benmergui](#) at 305.397.8547 and set up a no charge, no obligation consultation to discuss your case. **We have over a decade of experience handling Real Estate, Civil Litigation, and Personal Injury** cases throughout Miami and South Florida, and will use our expertise to help your case to the best of our abilities.