A Day in the Life of an Appraiser

Overview of Presentation
- Where did I learn about real estate?
- Why did I become an appraiser?
- How did I get a job?
- What is my employment history?

Overview of Presentation
- What do I do every day?
- Is my job interesting?
- What kinds of properties do I appraise?
- Who hires me and why?
Where could you work as an appraiser?
How much does an appraiser make in the USA?
If I had to do it all over, would I still be an appraiser?
Questions

After high school, I decided to attend San Diego State University
Why SDSU?
- A great location in San Diego
- Lots of pretty girls
- A very good business school
- Even more pretty girls

I did not know what I wanted to do. So, I took classes in
- Marketing
- Management
- Economics
- Accounting
- Logic/philosophy
- Film
- Anthropology
- Language
- Theatre Arts
- Mathematics
- Mathematics
- Real estate
- Real estate
What classes did I take?
After I decided to major in real estate, I took classes in:
- Real estate principles
- Real estate finance
- Real estate law
- Real estate development
- Real estate appraisal

Why did I become an appraiser?
When I was a senior, I realized that I had to pick a job. I considered:
- Real estate sales *(but I'm not a good salesman)*
- Real estate development *(but the market was really bad at that time)*
- Being a dentist - like my father *(but I don't like people's mouths)*
- Airline pilot *(but my eyesight is terrible)*
- *Real estate appraisal*

How did I get a job?
The first thing I did was talk with my appraisal professor. He told me that:
- Appraisal was a great career
- He thought I would be good at it
- I should *NOT* go to work for a big company (like where he worked)
How did I get a job?

- Things I considered:
  - The work environment
  - Professional development and training
  - Opportunities for advancement
  - Work style (rigid vs. more relaxed)
  - My personality
  - Compensation

How did I get a job?

- Things I considered:
  - Should I appraise houses?
  - Should I appraise commercial properties?
  - Should I work for a lender?
  - Should I work for a public agency?
  - Should I work for a private appraiser?
  - Why would anyone even hire me?

How did I get a job?

- Ultimately, I was hired by an appraiser who read a paper I had written for school
- Did he hire me because it was a great paper? **NO!**
- He hired me because I could write well
- He said, "I can teach you to appraise, but I can’t teach you to write."
**How did I get a job?**

- How much money did I make my first year as an appraiser?

$306,000!

(unfortunately, that’s NT$)

**What is my employment history?**

- I worked for Mr. Smith for 7 years, then I started my own company
- I had experience with:
  - Residential properties
  - Commercial properties
  - Banks
  - Lawyers
  - Many other clients and property types

**What is my employment history?**

- My company started with two people
- We now employ 10 people
  - 7 appraisers
  - 1 researcher
  - 2 clerical staff
What is my employment history?
- What’s it like to work for yourself?
  - You tend to work harder
  - You may work long hours
  - You might make more money (or less!)
  - Your boss can be a real jerk!
  - It’s the best job ever
  - It’s the worst job ever

What do I do every day?
- I run my company
  - Bidding and scheduling work
  - Negotiating contracts with clients
  - Accounting and payroll
  - Computers, cameras, etc.
  - Personnel issues

What do I do every day?
- I manage employees
  - Clerical staff
  - Researchers
  - Appraisers
  - Outside consultants
What do I do every day?

- I do appraisals
  - Inspect neighborhood & property
  - Public entity research
  - Region & neighborhood research
  - Market data research & verification
  - Valuation analyses
  - Prepare reports

What do I do every day?

- I defend appraisals
  - Conferences & meetings with clients
  - Depositions
  - Trials
  - Mediations & arbitrations

What do I do every day?

- I teach and lecture
  - Appraisal Institute classes and seminars all over the USA
  - Travel to Taiwan and Korea to teach
What do I do every day?

- I volunteer with the Appraisal Institute
- Various committees
- Oversight of course materials
- Textbooks

What do I do every day?

- I try to have some time for my family and for fun!

Is the job interesting?

- In one word – **YES**!
- I work with interesting people
- I work on
  - Difficult and complex properties
  - Unusual and diverse issues
  - High-stakes disputes
  - What I say matters to people!
Is the job interesting?

- I have to “get out and about” (I cannot do my job only from my desk)
- I get paid to talk with people
- I don’t have to get dirty or wear a bullet-proof vest

What kinds of properties do I appraise?

- Residential
  - Single-family homes or condominium units
  - Rental apartment projects (4 to 1,000 units)
- Commercial
  - Vacant land
  - Retail
  - Office
  - Industrial

Types of Real Estate
Types of Real Estate Property

Who hires me and why?

Why would anyone need an appraisal of this property?

Who hires me and why?

- Lenders
  - Construction financing
  - Take-out financing
  - "Watch list"
  - Foreclosure
  - Bankruptcy
- Buyers / sellers
Who hires me and why?

- Developers
  - Consulting (project design, economics)
  - Property tax appeals
  - Construction defect litigation
- Government
  - Expropriation
  - Property tax appeals

Who hires me and why?

- Lawyers
  - Estate planning / administration
  - Divorce
  - Toxic tort (contamination, etc.)
  - Partition
  - Fraud / breach of contract
  - Expropriation

Where could you work?

- Lenders (banks, insurance companies, etc.)
- Government
  - Cities
  - States / Regional
  - Federal
- Consulting firms (including major accounting firms)
Where could you work?
- Development firms
  - Local
  - Regional
  - National / international
- Private appraisal firms
  - Solo
  - Local
  - Regional
  - National / international

How much would I make?
- According to salary.com, medians are:
  - Residential appraiser: US$45,200
  - Senior residential appraiser: US$58,300
  - Commercial appraiser: US$86,900
- In my office:
  - Starting salary: US$36,000
  - Experienced appraiser: US$100,000
  - Owner of the company: US$ more!

Would I do it again?
Yes!!!