Mueller Reports Hybrid Appraisal FAQ's

A hybrid appraisal, also known as a bifurcated appraisal, is a modernized way to conduct appraisals that has grown in popularity as the real estate industry grows, modernizes, and evolves, which has been drastically accelerated by COVID-19.

As a leader in the appraisal modernization space, Mueller's focus is on the future of valuation practice. Having been a pioneer of the bifurcated appraisal workflow, Mueller has positioned itself as a leading innovator in the space. Below are several common misconceptions, questions, and answers that Mueller has encountered while working to perfect its bifurcated appraisal model.

How can I trust a third party to provide accurate property data?

Mueller has over 40 years of experience in the insurance inspections industry and has leveraged that experience to cultivate a work force of world-class property inspectors. All Mueller inspectors must pass a rigorous training curriculum that includes formal classroom/module training, as well as completion of sample cases, prior to being eligible to complete insurance inspections. Once an inspector completes initial training, they work solely on Mueller's insurance inspections until they master how to properly measure and sketch a property. Only property inspectors with the highest speed and quality are selected to undergo specialized appraiser inspection training, which makes the inspector eligible to complete property data collection for a bifurcated appraisal.

While in the field, data collection is completed through Phoenix Mobile, Mueller's proprietary software, which guides the inspector to collect specific details and photos on the property. Once completed, the report goes through a rigorous QA process prior to reaching the appraiser.

Will I be liable if supplied with inaccurate information when completing a bifurcated appraisal?

As with all appraisal reports, an appraiser's responsibilities and any associated liabilities depend on what the appraiser is certifying. In the case of a hybrid appraisal, the Appraiser's Certification and Statement of Assumptions and Limiting Conditions state that the appraiser did not inspect the subject property, the appraiser used photos and property data believed to be reliable, and the appraiser makes no guarantees or warranties on the completeness or quality of the data and photos provided. The inclusion of these statements protects the appraiser from any additional risk or liability associated with their reliance on the inspection data and photos provided by the third-party. During the development of any given appraisal report, the appraiser must review all available information that is germane to their assignment, ultimately determining whether the information can be relied upon to derive credible assignment results. Additionally, they will also need to conspicuously exclaim any assumptions that were employed by the appraiser, disclosing their potential impact on the appraiser's findings, and clarifying how any inconsistencies or concerns regarding the data was resolved during the report development process.

What happens if I disagree with the data collected in a bifurcated appraisal?

When developing an opinion of value for a subject property through the utilization of third-party derived data, an appraiser must conclude that that information being used has a reasonable basis to be relied upon. Per USPAP, an appraiser may not allow an assignment condition to impact the assignments scope of work to a degree that yields less than credible results. As part of Mueller's model, our appraisers have a direct line of contact with the inspecting Field Representative to assist in clarifying any concerns or to answer any questions that arise during the review of the subject's property condition report. This process ensures the appraiser is always able to obtain the information they need directly from the source.

Are bifurcated appraisals supported by my software?

As an appraisal firm, Mueller utilizes proprietary appraisal software that is made available to our staff appraisers at no cost. Our software is designed around the bifurcated appraisal model and includes many "quality of life" improvements that make the process significantly easier and more convenient for the appraiser. For example, all data collected by the property inspector is **imported directly into Mueller's appraisal software, which means there is no need for the appraiser to re-type the information!** Mueller's in-house development team is constantly maintaining and improving the software. Appraiser feedback is welcomed and encouraged to ensure our software remains industry leading.

Are there advantages to bifurcated appraisals? How does the fee structure differ from a traditional appraisal?

Bifurcated appraisals take less time on average to complete than a traditional appraisal. The process is much more efficient by greatly reducing the need for the appraiser to schedule/communicate with the borrower, eliminating the cost associated with traveling to the subject property (fuel, travel time, vehicle maintenance, etc.). Mueller has taken these cost and time savings into account and developed a competitive and lucrative compensation structure. Please contact one of our valuations directors to learn more.

Will I be asked to complete appraisals outside of my area of geographic competency if I complete hybrid appraisals?

No. Mueller's software accounts for each appraiser's stated area (s) of geographic competency. Mueller has software controls along with internal processes in place to ensure that an appraiser never completes a report that is outside of their area(s) of geographic competency.

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Do bifurcated appraisals comply with the Uniform Standards of Professional Appraisal Practice (USPAP)?

Mueller's bifurcated appraisal model is fully compliant with USPAP. It is a common misconception that appraisers need to conduct their own physical inspection of a subject property. Per the 2020-21 USPAP Advisory Opinion 2, third party inspections of the subject property are permitted in USPAP, subject to certain disclosures. Please contact Mueller's **Chief Valuations Officer** with any additional questions.

I have plenty of volume with traditional appraisals. Why should I try a bifurcated appraisal

Bifurcated appraisals offer many advantages to traditional appraisals. When completing a bifurcated report, the appraiser is saving the time normally spent on contacting the borrower, traveling to the subject property, and completing an inspection. The appraiser does not deal with borrower re-scheduling and/or cancellations. The result is an easy to manage pipeline that results in vastly improved turn times. When polled, Mueller appraisers are typically very satisfied with the time savings and simplicity of bifurcated reports, and those with concerns over COVID-19 are appreciative of the flexibility provided by the bifurcated model with being able to complete reports remotely.

Can Mueller offer me the appraisal volume I am looking for with bifurcated appraisals?

Mueller is an appraisal firm that specializes in bifurcated appraisals. When an appraiser decides to work with Mueller, they will be provided with their own Valuations Coordinator that is dedicated to assisting that appraiser with any of their valuations needs. The appraiser and their Valuations Coordinator will regularly discuss order volume and pipeline management as they begin to build a relationship

What is the turn-time expectation with bifurcated appraisals?

While exact turn time varies by client, in general, Mueller's appraisers are empowered to easily meet deadlines by utilizing Mueller's proprietary software. Mueller's software, combined with the time savings realized by having Mueller's property inspectors complete the property condition report, allows appraisers to meet turn time expectations with ease. By embracing the bifurcated model, Mueller is able to act as a disrupter in the valuations space by offering industry leading turn times to its clients