



A FLORIDA PANHANDLE SELLER'S RESOURCE

The Home Appraisal, *Explained* for Florida Sellers.

How a lender's appraiser decides what your home is worth, what Florida law and our coastal market add to the picture, and what we can do if the number comes in short.

INSIDE THIS GUIDE

- Appraisal vs. inspection vs. tax value
- The process, step by step
- What Florida appraisers look at
- Condos: SIRS, milestones & lender review
- How your buyer's loan type changes things
- When value comes in low
- Your prep checklist
- Straight answers to common questions

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Here's the real answer on appraisals, good and bad.



Once you accept an offer from a buyer who is financing, there's one more opinion of value that matters: the appraisal. Sellers tend to worry about it more than they need to. They also tend to misunderstand what it is.

What an appraisal is

An appraisal is an independent opinion of market value. A Florida-licensed or certified appraiser prepares it, and in most sales the buyer's lender orders it through an appraisal management company. The lender uses it to decide how much it will lend against your home.

It isn't a home inspection, and it isn't a guarantee of the price. It also has nothing to do with the "just value" on your county property tax bill.

What I do, and what I won't do

My job is to make sure the appraiser has accurate, organized facts about your home: updates, permits, flood and wind details, HOA information, and the sales I believe are the best comparables.

I will never pressure an appraiser or suggest a number. Florida and federal rules protect appraiser independence, and your buyer's loan depends on a clean report.

Three different "values" Florida sellers hear about

	Lender appraisal	Property Appraiser "just value"	Home inspection
Who does it	Licensed or certified appraiser, regulated by the Florida Real Estate Appraisal Board	Your county Property Appraiser's office (Bay, Walton, Okaloosa, Gulf, etc.)	Licensed home inspector hired by the buyer
Purpose	Supports the buyer's loan	Sets the base for property taxes	Reports on condition
Based on	Recent comparable sales, your home's features and condition	Mass appraisal, as of January 1, often a year or more behind the market	Visible systems and components
Sets your price?	It can limit the loan, so it can affect the deal	No. Assessment caps (Save Our Homes on a homestead, 10% a year on a second home or rental) can keep it well below market	No, but findings can lead to repair talks

"The goal isn't to influence the appraiser. It's to make sure the whole story of your home is in front of them."

From signed contract to cleared to close.

The usual order of events in a financed Florida sale. Your exact deadlines are in the contract we sign, so I track them from day one.

1

Contract is signed

The Florida contract sets the financing terms and the Loan Approval Period. If we agree to the Appraisal Contingency rider, it adds its own value threshold and deadline. The buyer applies for the loan within the days the contract allows.

MY ROLE

Calendar every deadline and send the lender the executed contract.

2

Lender orders the appraisal

Most lenders order through an appraisal management company (AMC). Florida requires AMCs to register with the state. The AMC assigns an appraiser, ideally one who knows our local market.

MY ROLE

Confirm the order went in and who the appraiser is.

3

The appointment is set

The appraiser contacts the listing agent to schedule access. On the coast, timing depends on how busy appraisers are, the season, and how complex the property is.

MY ROLE

Coordinate access, gate codes, keys, pets and tenants.

4

The site visit

Usually 30 to 90 minutes. The appraiser measures, photographs, and notes quality, condition, updates, view, and site features. Condos may also need common-area photos.

MY ROLE

Hand over a property fact sheet and my comparable sales.

5

Research & the report

The appraiser picks comparable sales, adjusts for differences, and reconciles them into one value. The report goes to the lender, not to you.

MY ROLE

Stay in contact with the buyer's agent and lender for updates.

6

Lender review

The underwriter reviews the report. It may be accepted as is, sent back with questions, or flagged for repairs or a reconsideration of value.

MY ROLE

Get the result to you quickly and explain what it means.

7

The deal moves forward

If the value supports the loan, we head toward closing. If it doesn't, the contract and the loan program decide what options are on the table (see page 7).

MY ROLE

Lay out every option, good and bad, so you can decide.

Typical timing: in the Panhandle, many appraisals come back within about one to two weeks of the order. Busy spring and summer seasons, Gulf-front and luxury homes, jumbo loans and unusual properties can take longer.

Cash buyer? No lender means no required appraisal, unless the buyer adds the Appraisal Contingency rider to the offer. Some cash buyers still order one for their own peace of mind.

The standard checklist, plus the coastal one.

Every appraiser looks at the basics. Here on the Panhandle, coastal factors can move value as much as square footage does. Buyers, lenders and insurers all pay attention to them.

The basics, everywhere

- **Location** and neighborhood: school zone, street, traffic, community amenities
- **Gross living area:** heated and cooled square footage, measured by the appraiser
- **Bedrooms, baths** and layout
- **Quality and condition** of construction, finishes and systems
- **Updates** and when they were done
- **Lot:** size, usability, garage, outbuildings
- **Comparable sales**, ideally recent and nearby, plus active and pending competition
- **Market trend:** rising, flat or softening

Florida & coastal factors

- **Water & views:** Gulf-front, bay or lake front, deeded beach access, dock, distance to the sand
- **Flood zone & elevation:** FEMA zone, elevation certificate, flood insurance cost
- **Wind protection:** roof age and type, impact windows or shutters, wind mitigation features
- **Coastal Construction Control Line:** Gulf-front property seaward of the CCCL requires a state disclosure and a survey or affidavit, and stricter building rules can affect value
- **Pool**, outdoor kitchen, screened lanai
- **Permits:** additions or enclosed porches without permits may not count as living area
- **Storm history:** quality of repairs after Hurricane Michael or other storms
- **HOA / condo:** dues, assessments, rental rules, building health

Things sellers expect to count, and how they really work

You might think...	Here's the real answer
"My renovation cost \$80,000, so I'll get \$80,000."	Appraisers value what the market pays for an update, not what it cost. A new kitchen often returns less than its cost. A new roof in Florida can matter a lot because of insurance.
"It rents for great money, so it's worth more."	Homes and condos are appraised mainly by comparable sales. If your buyer is purchasing as an investment, the lender may add a rent schedule or review short-term rental data to qualify the loan, but that's about the buyer's loan, not a bonus on your value. Strong rental history is still a big selling point with investors.
"My tax bill says it's worth less."	The county's just value is for taxes and is often behind the market. Appraisers don't use it to set market value.
"The enclosed porch is part of the house."	Only if it's heated, cooled, finished like the rest of the home, and ideally permitted. Otherwise it's usually valued as a porch or bonus space.

With a condo, the building gets reviewed too.

From the PCB towers to Destin and 30A, condo sales come with one more layer: the lender reviews the whole project, not just your unit. Since the 2022 condo safety laws, buyers and lenders are asking more questions about it.

01

Milestone inspections

Florida requires structural milestone inspections for condo buildings with three or more habitable stories at 30 years old, then every 10 years. Some local governments can require one sooner. Lenders and buyers ask whether yours is done and what it found.

02

SIRS & reserves

Associations in those buildings must have a Structural Integrity Reserve Study (SIRS) and fully fund reserves for key components. Buyers are entitled to the milestone summary and SIRS with the condo documents. Underfunded reserves or big repairs can mean special assessments.

03

Lender project review

Conventional lenders review the project with a condo questionnaire covering budget, reserves, litigation, owner-occupancy, rental use and critical repairs. A building that fails review can limit which loans your buyer can use.

How this touches the appraisal

- The best comparables are usually sales **in your building** or a very similar nearby tower: same view line, floor height and unit type.
- **Gulf-front vs. Gulf-view** and the floor level can create big value gaps between units in one building.
- **Special assessments**, paid or pending, affect what buyers will pay and show up in comparable sales.
- Furnished units are common here, but furniture is **personal property**. Lenders generally don't include it in value.

What I gather before we list

- ☐ Current budget, reserve schedule and dues
- ☐ Milestone inspection and SIRS status
- ☐ Any adopted or proposed special assessments
- ☐ Rental rules and minimum lease terms
- ☐ Management company contact for the lender questionnaire
- ☐ Recent sales in the building by stack and floor

Straight talk: many Gulf condo towers fail Fannie Mae and Freddie Mac review because of hotel-style rental operations, active litigation, critical repairs or low reserves. Florida has had more of these "unavailable" buildings than any other state. Buyers in those buildings need cash or a non-warrantable condo loan. That limits the buyer pool, and we should price and plan for it from the start rather than find out mid-deal.

The buyer's loan sets the rules.

The appraiser works for the buyer's lender, so the loan decides the rules. On the Gulf, most buyers of beach homes and condos are using conventional, jumbo or investor financing, or paying cash. That's why I ask about the buyer's financing on every offer.

How the buyer pays	What it means for the appraisal	Where we see it
Conventional Fannie Mae / Freddie Mac	Focused on market value and whether the home is safe, sound and structurally intact. Minor wear is usually noted, not required to be fixed. For a condo, the building must also pass the lender's project review. On an investment purchase, the appraiser may add a rent schedule estimating long-term market rent. Some loans qualify for an appraisal waiver or a desktop or hybrid appraisal.	The most common loan on our coast: primary homes, second homes and investment properties up to the conforming loan limit.
Jumbo Above conforming limit	Each lender sets its own appraisal rules. Some require two full appraisals above a certain loan amount, and that threshold varies by lender. Gulf-front and luxury homes have fewer true comparable sales, so the appraiser's coastal experience matters.	Gulf-front, 30A, Destin and Cape San Blas homes, and higher-end condos.
Non-warrantable condo & investor (DSCR) loans	Used when a building doesn't meet Fannie/Freddie rules, or when the buyer qualifies on the property's rental income. Lender guidelines vary. Rental income may be reviewed with a rent schedule and short-term rental data, but it still doesn't replace comparable sales in the value.	Condo towers with rental desks or hotel-style operations, pending litigation or big repairs; short-term rental investors.
Cash	No lender appraisal unless the buyer adds the Appraisal Contingency rider or orders one on their own.	Very common in second-home and investor sales.

FHA, VA & USDA: primary homes only

These loans are for buyers who will live in the home full time, so they rarely show up on Gulf-front or rental condo sales. We see them in Panama City's new-build neighborhoods, inland areas, and near Tyndall, NSA Panama City, Eglin and Hurlburt. They bring stricter condition standards, the condo building must be approved for the program, and VA's "Tidewater" process allows more sales to be sent in when value looks short.

When condition becomes a repair

If the appraiser marks an item "subject to" repair, the lender usually won't fund until it's fixed and re-inspected. On a conventional loan, that's usually safety or structure: an active roof leak, wood rot, exposed wiring, missing handrails. Who pays is set by the contract and what you and the buyer negotiate, not by the appraisal. Let's find the common ground that gets you to closing.

A low number is a conversation, not the end of the deal.

A short appraisal doesn't kill the contract on its own. It changes the math for the buyer's loan, so we look at the report, check the contract, and then talk options.

Step 1 · Read the report carefully

- Wrong facts: square footage, bed/bath count, pool, view, waterfront, garage
- Missed upgrades: new roof, impact windows, HVAC, renovation
- Comparables from a different building, view line or community
- Better sales that closed or went pending and weren't used
- Adjustments that don't match the local market

Step 2 · Check the contract

Florida's standard Florida Realtors/Florida Bar contracts don't include an appraisal contingency on their own. If we signed the **Appraisal Contingency rider**, the buyer can cancel by its deadline when value comes in under the agreed amount. Without it, the buyer's protection is the **financing contingency**: if the loan can't be approved during the Loan Approval Period, which can happen because of the appraisal, the buyer may be able to cancel. A low value alone doesn't give that right.

Step 3 · The paths forward

Option	How it works
Reconsideration of value	The buyer, through the lender, asks the appraiser to review specific errors or a short list of better sales. It's usually one request per appraisal, and it goes through the lender, never straight to the appraiser.
Buyer covers the gap	The buyer brings more cash to close.
Seller adjusts price	You lower the price to or toward the appraised value.
Meet in the middle	The gap is split between buyer and seller.
Restructure the loan	A larger down payment or a different loan program.
Second opinion	Sometimes a lender allows a second appraisal, or the buyer changes lenders. Some jumbo lenders already require two.
Cancel	If the contract allows it, the buyer can exit with their deposit.

A reconsideration is not a re-negotiation with the appraiser. Since 2024, Fannie Mae, Freddie Mac and FHA have required lenders to offer a formal reconsideration-of-value process. Jumbo and portfolio lenders set their own. A good request is short and factual and points to clear errors or better comparable sales. I prepare that information so the buyer's lender can submit it.

Pricing helps prevent this. When the list price comes from the same kind of comparable sales an appraiser will use, a low appraisal is much less likely. That's why my pricing always comes with the comps behind it.

Your prep checklist.

You don't need to stage or remodel for an appraiser. You do need to make access easy, show the home in honest good shape, and have your paperwork ready.

Make access easy

- ☐ Confirm the date and time I send you
- ☐ Leave gate codes, pool and garage access, and amenity fobs
- ☐ Unlock sheds, attic access and any detached buildings
- ☐ Clear access to the water heater, electrical panel and HVAC
- ☐ Secure pets; give tenants or rental guests notice if needed

Show it in honest good shape

- ☐ Basic cleaning, lawn and entry tidied
- ☐ Replace burned-out bulbs; open blinds
- ☐ Fix small obvious items: a dripping faucet, a loose rail, a missing smoke detector
- ☐ Skip rushed cosmetic projects just for the appraisal

Have these ready (if available)

- ☐ List of updates with years: roof, HVAC, water heater, windows, flooring, kitchen, baths
- ☐ Permits for additions, enclosures, roof and pool work
- ☐ Elevation certificate and current flood zone
- ☐ Wind mitigation report and 4-point inspection, if you have them
- ☐ Survey
- ☐ HOA or condo documents, dues and any assessments
- ☐ Features that are easy to miss: deeded beach access, boat slip, transferable warranty, solar, generator

What I give the appraiser

- ✓ A one-page property fact sheet
- ✓ The comparable sales I believe matter most, and why
- ✓ Pending sales and active competition they may not see yet
- ✓ Building or community details specific to the coast

The lines I don't cross

- ✗ Suggesting a value or a "target"
- ✗ Pressuring or hovering during the visit
- ✗ Contacting the appraiser about value after the visit
- ✗ Claiming renovation cost equals value

On appraisal day, you're welcome to be home, but you don't need to be. If you are, a quick hello and the paperwork is perfect. Then give the appraiser space to work.

What sellers ask me most.

Short, straight answers. Every deal is a little different, so ask me about yours.

Will I get a copy of the appraisal?

Usually not directly. Federal rules require the lender to give the report to the borrower, which is the buyer. What the seller sees depends on the buyer and the lender.

Can I talk to the appraiser?

Yes, about facts: what's been updated, where the access points are. Not about what you think the home is worth. Questions about value go through the lender.

Does the appraisal guarantee the buyer's loan?

No. It's one part of underwriting. The buyer's income, credit, assets and insurance (a big one in Florida right now) also have to check out.

Can the appraisal come in above the price?

Yes, but the lender lends on the lower of price or value, so the price doesn't change. The buyer just starts with some equity.

My home is out of the area. Do I need to be there?

No. Many of my sellers live out of state. I handle access, meet the appraiser if needed, and keep you updated by phone or text.

How long is an appraisal good for?

It depends on the loan. On a conventional loan, an appraisal more than about four months old by closing generally needs an update. Jumbo and portfolio lenders set their own limits.



We move at your pace.

Have a question about your home's value or an appraisal on a current contract? Book a free 15-minute call.

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Sources & further reading: Chapter 475, Part II (appraisers) and Part IV (appraisal management companies), Florida Statutes · Florida Real Estate Appraisal Board, DBPR · Chapter 718 and §553.899, Florida Statutes; SB 4-D (2022) and HB 913 (2025) on condo milestone inspections and SIRS · §161.57, Florida Statutes (Coastal Construction Control Line disclosure) · Florida Realtors/Florida Bar contracts: financing paragraph and Appraisal Contingency rider · Fannie Mae Selling Guide: appraiser independence, property eligibility and reconsideration of value · Freddie Mac Seller/Service Guide: reconsideration of value · HUD Handbook 4000.1 and Mortgagee Letter 2024-07 (FHA ROV) · VA Lender's Handbook (M26-7): Tidewater process and minimum property requirements · USDA HB-1-3555 · Consumer Financial Protection Bureau: appraisals and valuations · Florida Statutes §193.155 (Save Our Homes) and §193.1555 (non-homestead cap).

This guide is general information for Florida home sellers. It is not legal, tax, lending or appraisal advice. Loan rules, statutes and contract forms change. Your contract and your buyer's lender decide the specific requirements. Kinsey Haddock P.A., Florida Broker Associate, License #BK3253849, Coldwell Banker Realty, Panhandle. Equal Housing Opportunity.