

Employment Development Department

Labor Market Information

***** This is NOT a job offer *****

The purpose of this occupational guide is to provide you with useful information to help you make career decisions. If you are searching for a job, please go to

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Real Estate Appraisers

California Occupational Guide Number 228

[Interest Area 11](#)

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THE JOB

REAL ESTATE APPRAISERS are specialists in estimating the value of real property. Real property consists of land, buildings, and natural resources such as water, oil, or minerals. Estimates of value, known as appraisals, are made when property is bought, sold, assessed, taxed, condemned, insured, or mortgaged. They may also be required in divorce actions, when partnerships are dissolved, and when property is listed as a business asset. Appraisers, especially independent fee appraisers, may give expert testimony in court. They may also act as consultants.

Real Estate Appraisers prepare a written description of the property and make an estimate of its value. They may complete standardized checklists as they evaluate the property and the neighborhood in which it is situated. Appraisers obtain land values from county sources and sales information about nearby properties. They also examine the income records and operating costs of income properties. Appraisers estimate building replacement costs using building valuation manuals and professional cost estimators. They also verify legal descriptions of property with county records, measure the property and compare the measurements with the legal descriptions. They draw land diagrams and note conditions and special features of buildings. Appraisers analyze and evaluate the data and prepare a written report outlining methods by which the fair-market value was estimated. At times it is necessary for a senior appraiser to review these reports. Appraisers generally work alone; however, consultants may be used for more complex appraisals. Computers are an indispensable tool in this complex work.

WORKING CONDITIONS

Appraisers may walk around property and climb stairs in buildings. The Research, analysis, and writing are usually done in an office setting. Occasional out-of-town travel is required and a valid California driver's license is necessary. Appraisers may join professional associations such as the Appraisal Institute, the National Association of Real Estate Appraisers, or the American Society of Appraisers. Association members subscribe to a code of ethical behavior governing their conduct with both the society and the public.

EMPLOYMENT OUTLOOK

The following information is from the California Projections of Employment, published by the Labor Market Information Division.

Estimated number of workers in 1993	5,440
Estimated number of workers in 2005	6,300
Projected Growth 1993-2005	16%
Estimated openings due to separations by 2005	1,340

(These figures do not include self-employment or openings due to turnover.)

The number of appraisers in the private sector is highly dependent upon interest rates and general economic conditions that drive real estate activity. When rates are low, residential and commercial purchases together with mortgage refinancing can cause an almost frenzied demand for appraisals. When rates increase substantially, or the economy sputters, real estate activity usually declines, and few appraisals are needed. Layoffs may then occur in appraisal staffs, and independent appraisers may at least temporarily leave the field. Government employment is less sensitive to economic cycles, but growth there is all but stagnant.

WAGES, HOURS AND FRINGE BENEFITS

Entry-level trainees may earn from \$1,400 to \$2,700 per month. Real Estate Appraisers with at least three years of experience may earn from \$2,500 to \$4,500 per month.

Independent appraisers can earn from \$1,500 to \$8,000 or more per month and can receive \$200 to \$300 per day as consultants.

State appraisers start at \$2,133 per month, and can rise to \$2,418. They can promote to the associate level, which pays \$3,330 to \$4,018 per month. Principal property appraisers with the State can earn a maximum of \$4,849.

Most employers offer benefits including paid vacations, sick leave, holidays, retirement, and health plans. Life insurance is available at group rates. Some also offer profit-sharing plans and pay for books, seminars, and association fees. Some employers furnish cars, while others reimburse appraisers for private car use.

The normal workweek is 40 hours, however, evening and weekend work are often necessary. Schedules of independent appraisers are considerably more variable.

ENTRANCE REQUIREMENTS AND TRAINING

Real Estate Appraisers who appraise for federally related transactions are required to obtain a license from the State Office of Real Estate Appraisers (OREA). All applicants must qualify with approved education and pass an examination. In addition, appraiser experience is required to hold a Residential License, Certified Residential License or Certified General License. Many community colleges and evening adult schools offer courses in real estate appraisal. Some colleges offer courses relating to appraisal that lead to a bachelor of science in real estate. Courses in economics, real estate, business administration, and mathematics provide a good background for this occupation. Many companies provide classroom training for their beginning appraisers. A long training period is necessary to become skilled in appraising the more complex types of real estate. Professional associations and colleges offer seminars and classes conducted by leaders in the field.

In most cases, applicants must have a bachelor's degree to be considered for hire by government or by private companies. Many firms require an additional six to eight months' experience. A few lending institutions, however, will hire high school graduates who have had experience in real estate,

construction, architecture, or building inspection. Applicants should possess an inquisitive nature and sound judgment. They must also be able to write and speak clearly, and make mathematical calculations.

ADVANCEMENT

Trainee Licensees must meet all the current requirements at the time an upgrade application is submitted in order to qualify for the Residential License. Licensees upgrading to the Certified Levels must also pass an examination in addition to meeting all the current requirements at the time an upgrade application is submitted to OREA.

More advanced positions such as senior, principal, and chief appraiser involve supervisory duties as well as more difficult appraising assignments. Promotion in governmental agencies is usually by competitive examination. State-approved courses in various aspects of appraisal are offered by the professional associations and by local colleges. Successful completion of these courses, together with experience, is required by the State to promote within the classification.

Promotion in lending institutions depends largely upon the individual appraiser gaining advanced training and experience. There is little opportunity for promotion in small independent appraisal firms.

Appraisers may join professional associations, in order to increase their skill level, keep up with changes in the profession, and to meet fellow appraisers. Educational opportunities offered by professional associations can help land promotions.

Some Real Estate Appraisers become consultants and specialize in an aspect or type of appraisal such as investment counseling, court work, oil fields, bridges, skyscrapers, and shopping centers.

FINDING THE JOB

Applicants should refer to civil service announcements for openings and dates of examinations. They should also make direct application to companies with appraisal departments, such as banks, savings and loan institutions, utility, and insurance companies. Local chapters of professional associations, class instructors, and the California Employment Development Department Job Service are additional sources of job opening information.

ADDITIONAL SOURCES OF INFORMATION

Office of Real Estate Appraisers
1102 Q Street, Suite 4100
Sacramento, CA 95811
www.orea.ca.gov

Appraisal Institute
550 W Van Buren Street, Suite 1000
Chicago, IL 60607
(312) 335-4100

National Association of Real Estate Appraisers
1224 North Nokomis Street NE
Alexandria, MN 56308
(320) 763-7626
www.iami.org

The American Society of Appraisers
555 Herndon Parkway, Suite 125
Herndon, VA 20170
(703) 478-2228

www.appraisers.org

RELATED OCCUPATIONAL GUIDES

Real Estate Agents	No. 90
Right-of-Way Agents	No. 226

OCCUPATIONAL CODE REFERENCES

DOT (Dictionary of Occupational Titles, 4th Ed., 1991)	
Appraiser	188.167-010
Appraiser, Real Estate	191.267-010

OES (Occupational Employment Statistics) System	
Appraisers, Real Estate	430110

Source: State of California, Employment Development Department,
Labor Market Information Division, Information Services Group,
(916) 262-2162.

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