

Ruling Beneficial for Appraisers

In September a California Appeals Court made a ruling that was beneficial for all appraisers. The case involved a suit against an appraiser brought by a third-party who alleged that the appraiser had developed a flawed report. The appraiser claimed that the third party was not an intended user and wanted to use the appraisal for a reason not intended. The appeals court ruled that, since the appraiser had made this known in the appraisal, the third party had no standing. This would be good news ordinarily, but the court did not publish the ruling.

Had the court published, the ruling could be found in future similar cases both in California and other states and be used as precedent. Although the appraiser in question is not an NAA member, the NAA Board elected to appeal to the court to publish the ruling. Such an action would be consistent with NAA's mission to support issues beneficial to appraisers and oppose those that would disadvantage them.