<u>Appraisal Coordinator Tasks</u>

Document Last Updated – 7/31/2023

Responsibility – Brittany

This project management role oversees the appraisal process from job engagement through delivery, working with the appraiser, inspector and outsourcers.

<u>This role entails the following tasks:</u>

1. Create and setup job folder
2. Setup job in Workflow Management System (TBD - not ready yet)
    - The system will automate a lot of the communication involved in this role. Until it is ready, you will use email to manually contact each person involved. ***Note – we are looking for your input on the process to help smooth it out before building the system around it, so let John know what works well and what needs improvement. Any ideas you have for improvement are much appreciated.***
3. Request information / setup inspection with borrower
    - Follow-up as needed until all information received
4. Oversee outsourcer/VA's working on appraisal to ensure information delivery by deadline
5. Assemble Appendix file for report
6. When appraisal is complete, update FMP file to capture operating statements and relevant attachments

<u>Task 1: Create and Setup job folder</u>

Appraisal orders will come in through an appraiser, typically Adam since he is the primary point of contact with most clients for licensing purposes

- <u>Step 1</u> - Adam will forward an email with a new order to start the process. Adam will also assign appraiser and review appraiser (if applicable)
    - This may contain a link to a data room, or may have relevant information attached
- <u>Step 2</u> - In Current Appraisals, create a new job folder in the same naming convention as the other files
    - Numbers are sequential in the format: Year-job number-primary appraiser-review appraiser- City, State Hotel Name
    - Example: 23-79-JR Mobile, AL La Quinta
    - Adam and John jobs will not have a reviewer; Daniel jobs will have a 2nd set of initials indicating either JR or AC is reviewer. You can put as TBD if you don't know which and we will update.
- <u>Step 3</u> - In new job folder, save a copy of the engagement letter (EL) and any information received – there are often files attached to email or client portal
    - Create sub folder called "Info from Client" and save information in there
- <u>Step 4</u> - Navigate to "Current Appraisals – 00 New Appraisal Folder", click on "Linking", and copy the "Master Spreadsheet – New" and "Master Word Template – New" files. Paste both into the new job folder and rename to replace "New" with the job name (i.e. 23-80)

<u>Task 2: Workflow Management System (TBD)</u>

This is planned, but is not yet designed / not ready. The idea is we will use software to help manage & automate this process, particularly communication and tracking, with pre-set notifications and requests

- Appraisal Coordinator will manually use email for now to manage this process, but it will get easier when the system is setup. When fully setup, the appraisal coordinator will manage the process using the Workflow Mgmt System

<u>Task 3: Request information / Setup Inspection from Borrower</u>

The inspection part of this task is outlined in detail in the "Book Inspection & Travel" Workflow. For this workflow, the task starts after you have tentative inspection/travel plans to run by the appraiser

- <u>Step 1</u> – Coordinate Internally with Appraiser
    - **Use Email template (Template 1)** to email appraiser and Zeb a quick summary of the proposed date and cost. This also includes a list of proposed due diligence items.
    - Text both as well to make sure you get a fast response. The appraiser is in charge here and you are just making sure Zeb is available that day – his setup is to be available Mon-Fri in general
    - Appraiser will respond to confirm or propose changes to travel / inspection
    - Appraiser will respond with list of items to request highlighted in green in format that you can copy/paste into email to borrower
- <u>Step 2</u> – Create Dropbox Transfer Request
    - We use this to securely transfer files, to comply with Core Company IT Policy
    - Login to Dropbox.com using web browser
    - Click on File Requests (lower left side)
    - Click on "New Request" and setup to link to the Job Folder / Info from Borrower folder.
    - In last step, click on copy link, then use that for the link in **Template 2 email**
- <u>Step 3</u> – Reach out to Borrower
    - **Reach out by email using email template (Template 2)**, and follow-up by text / phone if you don't hear back quickly.
        - Template 2 includes both the proposed inspection date and time as well as the list of due diligence information we want to request from the borrower, modified as needed by appraiser's response to Template 1 email.
        - For flying trips, we want to nail down the date as fast as possible, because prices will change quickly and we are usually booking on short notice already.
            - Follow-up the day after you emailed with email plus text / call until you hear back.
            - For most people, you will hear back quickly.
            - Inspection date is higher priority than receiving information
- <u>Step 4</u> – Follow-up as needed until all information is received
    - People will usually send information fairly quickly, but sometimes you really need to stay on people to get it. Copy appraiser on all communication so they are looped in.
    - Typically need all information by at least 1 week before job is due, but would like to have it within 3 days of starting job
        - If it is taking a long time, appraiser needs to communicate to client that it may impact delivery

Task 4: Oversee Outsourcers Helping with Appraisal Process

We are increasingly leveraging international outsourcers to help complete simple tasks and parts of the appraisal. As of July 2023, we are working with two outsourcers to complete parts of the appraisal. We have a 3rd outsourcer (Relanie), but she is not currently involved with appraisals:

Ian: Primary appraisal helper. He has 3 main appraisal related tasks (using on all jobs now):

1. Inputting information into master spreadsheet for appraisal
   - Historical financials
   - STR data
   - Comp set, including photos / online ratings
   - Property tax information
2. Creating some exhibits for appraisal in Word, currently:
   - Aerial and street views
   - Competitor Map
3. Updating property records in FMP
   - This is a lower priority task but as he has time, he is supposed to update the entire city / county where we are working
   - Includes updating records of existing properties and adding new properties

Ruchik: Secondary helper, with 1 main task (currently, likely adding more):

- Writing Market Summary section, including creating maps, using Word Templates
- He has just started writing these, in July 2023, and is not yet doing this on every report
- Need to ask appraiser at start of report if you are using him or not

Tasks for Ian:

Ian can start working right away, as soon as we are engaged on a job.

- Step 1 – Email Ian to alert him that there is a new job, so he can get started. **Use Email Template 4**
  - Provide basic info such as property name, timing, and who is primary appraiser
  - He can start on some items right away, like maps, photos, and updating property records
  - Other items will require you to create a spreadsheet and export/input some information from Filemaker Pro, since he has limited database access. These are explained in Steps 3 – 5.
- Step 2 – Create job folder on Dropbox in "Current Appraisals – Ian".
  - We want to limit the amount of information shared, due to confidentiality concerns, so he has limited Dropbox access to whatever is shared in this folder
  - This folder will exist until he completes his tasks, then should be moved into the main job file in Current Appraisals
  - Copy the job folder from Current Appraisals and put it in the "Current Appraisals – Ian" folder. Only include relevant information he needs – such as financials and STR
- Step 3 – Move the job-specific master spreadsheet file you created from main job folder to Ian's folder.
- Step 4 – Update master spreadsheet with subject info & comp set info

        - Since Ian can't export from FMP, you need to populate the master spreadsheet with information about the subject and comp set for Ian **before he can do his task**. *This is a multi-step process due to his limited FMP access.*
        - To input subject:
            - Step 1 - Look up subject in FMP (Prop Record Card Detail) and make sure all information is complete and correct, fill in anything that is missing
            - Step 2 – Navigate to property record card summary view and click the "export to excel" button at far right
            - Step 3 - An excel sheet will pop up. Copy the entire first row of information and paste into the Master Spreadsheet (highlight and hit Ctrl+C). Input spot is the 2nd tab "Subject input", 1st row. Click in cell A1 and hit Ctrl+V (paste)
        - To input comp set:
            - This is a bit more complicated. For a franchised hotel (75% of jobs), the comp set will be the hotels in the STR report. For independent hotels, the appraiser will need to specify which hotels
            - Sometimes STR is provided, sometimes it is not and we need to request
                - It may take some time to receive a STR report or for the appraiser to have enough information to identify a comp set, so there could be a lag of a few days.
                - Ian can start on other aspects, but will not be able to do anything related to STR or comp set.
                - **Important – STR comp set can change. We typically use the most current, but double check with appraiser if it has changed recently to confirm.**
            - Once comp set is identified, these are the following steps:
                - Step 1 – Email Ian the comp set and ask him to update in FMP and let you know when its done. Ask him to save a PDF of the comp set in the summary view and email it to you when he is done. **Use email template 5 to request. If already provided via STR report, this step not required.**
                - Step 2 – After Ian has finished Step 1, he will email you. Then, log into FMP, go to Prop Record Summary view, and search the comp set and subject
                    - Review the detailed view to make sure it all looks good and update as needed.
                - Step 3 – Navigate back to Summary view, and perform excel export step
                - Step 4 – In Master Spreadsheet file, click on "Home" tab, then click on "Input comp survey".
                - Step 5 – copy/paste into this sheet. Make sure subject is entered as the first row – this often involves a bit of copy/pasting to get them in the right order.
                - Step 6 – Email Ian to let him know this is all ready. **Use email template 6 to request.**
- Step 6 – Ian will email that he is complete, make sure appraiser is copied on email and forward to them if not. At this point, Ian's tasks are done.

Tasks for Ruchik:

Ruchik can start working right away, as soon as we are engaged on a job. His main task is updating the market summary / writeup. For many markets, we will have an existing writeup that provides a good base, so you want to look for that before asking him to get started. Ruchik has more limited availability, so you need to check with appraiser if this is needed before reaching out to Ruchik to request it.

- Step 1 – Email appraiser to ask if they need Ruchik on this assignment or not.
- Step 2 - Search for recent jobs in same market to see if we have a market summary to use as a base
    - Search in FMP in "Bid Log Summary" by city / state
    - If you find one, go to Archived Appraisals and download the word document
- Step 3- Open word document and copy/paste the market and neighborhood sections into a new document, which will be sent to Ruchik. This preserves confidentiality by only sending him the relevant part of the old file.
- Step 4 - Email Ruchik to alert him that there is a new job, so he can get started. Include any relevant info from Step 3. **Use Email Template 7.**
- Step 5 – Ruchik will email that he is complete, make sure appraiser is copied on email and forward to them if not. At this point, Ruchik's tasks are done.

Task 5: Assemble Appendix for Appraisal Report

The Appendix is attached to the appraisal file and consists of a PDF file with additional information about the property. ***This task should be completed by the Appraisal Coordinator at least 5 days before the report is due. Note that some items may not be available, such as finalized Sales Comps, but the file can be started and saved in the job folder.***

- Step 1 – Go to Current Appraisals – 000 New Appraisal Folder. Make a copy of the "Appendix – New" Word file and paste into your job folder
- Step 2 – Print the Appendix file to PDF and save in job folder as "Appendix – job name" –
    - Example - "Appendix 23-79"
- Step 3 – Fill out Appendix with all available information. You may be missing some financials or the final sales, but these are easy for the appraiser to add at the end.
    - For engagement letter, make sure to:
        - 1 – redact the fee
        - 2 – add signature. Use Edit PDF, add Watermark
    - Read engagement letter. Some require specific checklists (like environmental) or exhibits. Easy way to see what this is, is to find a recent job from same client in FMP and look at that appraisal / appendix.
- Step 4 – Save Appendix file in job folder.

Task 6: Completing a Job

We have a 100% on-time track record, so assume the appraisal will be submitted on time by the appraiser. We typically submit reports on the date they are due, but sometimes submit earlier. Submitting the report may shift to the Appraisal Coordinator role at some point, but for now, it is the responsibility of the appraiser. After submitting, the report is reviewed and sometimes there is some back and forth with the client to make any requested updates.

This task consists of housekeeping items such as making sure relevant information is captured in FMP and that folders are backed up within Dropbox.

- Step 1 – When job is finalized, with all review comments addressed and a final report submitted, the appraiser will email the Appraisal Coordinator to confirm the job is finished
- Step 2 – General housekeeping in job file
    - Make sure all documents are moved to sub folders
    - A completed job folder should look like this, with only the report, invoice and EL showing:

is PC > OS (C:) > Dropbox > Current Appraisals > 23-79-JR Mobile, AL La Quinta >

Name	Date modified	Type	Size
23-79 Mobile, AL La Quinta - Ian	7/31/2023 11:03 AM	File folder	
file docs	7/31/2023 4:27 PM	File folder	
Info from Borrower	7/26/2023 4:45 PM	File folder	
photos	7/24/2023 7:56 AM	File folder	
RESEARCH - Sale Comps - COMPLETED	7/25/2023 8:37 AM	File folder	
23-79 Invoice	7/3/2023 9:51 AM	Adobe Acrobat D...	99 KB
Appraisal Report La Quinta Mobile, AL 23-79 Revised 7.31.2023	7/31/2023 11:17 AM	Adobe Acrobat D...	19,062 KB
Appraisal Report La Quinta Mobile, AL 23-79 Revised 7.31.2023v2	7/31/2023 11:30 AM	Adobe Acrobat D...	18,731 KB
Appraisal Report La Quinta Mobile, AL 23-79	7/26/2023 8:08 AM	Adobe Acrobat D...	18,576 KB
Engagement Letter	6/27/2023 9:45 AM	Adobe Acrobat D...	167 KB

- Step 3 – Enter operating statements for last few years in FMP
    - Find property record card and within property card detail view, click on "Add Operating Statement" button
    - Enter operating statement data from appraisal – from historical operating statements
    - Include last 3 years and only full year periods – do not include YTD
    - To check that you entered correctly, NOI in FMP should match the appraisal for each year
- Step 4 – Attach most relevant attachments
    - OM and STR if we have them
- Step 5 - Move job folder from Current Appraisals to Archived Appraisals
    - Be sure to put in correct year. For this year, put in 2023
- Step 6 – Navigate to Archived Appraisals when done uploading to make sure all files transferred.
    - Pay particular attention to confirm we have copies of the main Excel and Word files for the job.
- Step 7 – After confirming all files transferred and in Archived, you can delete the job from Current Appraisals. **At this point, the job is closed and complete.**