

What is the difference between an Appraisal and a Broker Price Opinion (BPO) or Comparative Market Analysis (CMA)?

The largest difference between a CMA/BPO and an appraisal is the person preparing the report. A CMA/BPO is generally created by a real estate agent or their office staff.

The appraisal is created by a licensed appraiser who has made a career out of valuing properties. Most importantly, the appraiser is an independent voice, with no bias or vested interest in the value of the home, unlike the real estate agent.

The CMA/BPO relies on vague, often unsubstantiated market trends. The appraisal relies on specific, verified, comparable sales data and history. In addition the appraisal looks at other factors such as location, condition and construction costs. A CMA/BPO delivers a "ball park" figure, whereas an appraisal delivers a defensible and carefully documented opinion of value

