

**H**e knew the ceiling was about to cave in on his profession. He didn't know the exact day or time that it was going to happen but he knew it was going to happen.

"It was like an avalanche hovering above your head, ready to come crashing down at any moment," John Rydell says.

So Rydell made a conscious decision to get ahead of this runaway train. He had spent his entire professional career as a licensed and certified residential home appraiser, doing his job quite well, thank you. Then, when the mortgage crisis hit the fan in 2007-2008, Financial Services Committee Chairman Barney Frank and former Senate Banking Committee Chairman Chris Dodd demanded reform – across the board.

They got exactly what they wanted. And one aspect that didn't escape their claws was home appraisers.

"The crisis in 2007-08 happened because mortgage brokers put too much pressure on appraisers [to bring appraisal values in at what mortgage bankers wanted] so the government said, 'We're going to put a wall between them and so the brokers can no longer talk to the appraiser,'" Rydell says.

The government established appraisal-management companies and then had the audacity to ultimately give the banks ownership, providing them with an-



*John Rydell is the epitome of what a home appraiser should be.*

# *State of Appraisal*

*When the law on home appraisals changed, John Rydell refused to join the new government banking-backed system. Instead, he just one-upped everyone else.*

other steady revenue stream while slicing home appraisers' salaries in half and forcing them to sign up with the local appraisal-management companies in order to be eligible to work in the field.

As a result of Dodd-Frank, the ranks of real estate appraisers dropped by 33% in California alone be-

tween the day the law passed in May until the end of December that first year. That resulted in longer waits for appraisals, higher fees and lower-quality appraisals as more appraisers cross county and state lines to value properties. Many appraisers simply refused to accept lower fees and left the business altogether.

But Rydell refused to give up -- he wasn't about to have his life be turned upside down by Dodd-Barney. So he reinvented his business by doing appraisals for attorneys in cases involving estates, bankruptcy and divorces. That way, he averted the appraisal-mortgage companies altogether -- and could keep his fee structure intact.

Since the passing of the Dodd-Frank Bill, Rydell has emerged as one of the leading California appraisers for attorneys and the courts and is one of the few independent appraisers in the country whose practice is flourishing while others closed shop.

"It came out of the blue," he says.

He ran into a friend who invited him to sponsor "Judges Night" for the Southeast District Bar Association, an attorney-related event. He accepted -- and life has never the same since. He wound up becoming a regular sponsor for many judges/attorneys lunches and dinners, resulting in thousands of appraisals since that fateful day Dodd-Frank was passed into law.

"Home appraisers are critical when it comes to estates and divorces," Rydell says. "There are two extremes when dealing with a husband and wife in a divorce, for example. The wife may say, 'We live in a dump.' The husband may respond, 'We live in a mansion.' The one calling the house a dump is the one who wants to buy the house from their spouse for as little as possible while the one calling it as mansion wants to sell it for the highest possible amount. It is at this point, you have to have a fair person come in and say this is what property is worth. I tell the attorneys right up front -- 'I'm totally neutral.' I'm going to give them an honest value for the property."

His neutrality resulted in most attorneys -- on both sides of the suit -- hiring him as the only appraiser on both sides since "we know he is honest and truthful both attorneys can live with his value," says attorney Gene Siegel, who has worked with Rydell for many years.

Rydell is now a fixture at attorney/judge events and conferences, and other networking events, and over the years he has cemented relationships that have enabled his practice to thrive.

His value is enhanced by the fact that he may be the lone real estate appraiser in California who has all the residential sales records for Los Angeles and

Orange Counties dating back to the 1970s. How many times have two attorneys, representing a husband and wife in a divorce case, or siblings in an estate case, required home appraisal services to determine the historic and current value of a family's No. 1 asset?

Many times.

Enter Rydell.

"I was looking for a way to set myself apart from other home appraisers and I stumbled across this great opportunity that has been a godsend," he says.

Possessing all of the residential sales records for LA and Orange Counties, along with a detailed description of these properties at the time of their sale dating back to the '70s, makes Rydell invaluable to legal clients. The opportunity to buy the records arose when the bank owning the sales records planned to destroy them since they were going to digitize records in the future.

What also makes Rydell so impactful in his specialized field of working with attorneys and their clients is his quickness and accuracy. When Rydell, a U.S. Marine, launched A Plus Appraisals out of Lakewood, Calif. in 1987, the average turnaround time for a lender appraisal was two weeks. Rydell set a new standard for the industry when he would complete appraisals in 48 hours.

"I changed the standard," he says proudly. Once, he delivered an appraisal in four hours (which may be a U.S. record), prompting Siegel to say, "John runs circles around his competition, not only for his quickness but also for his honest appraisals."

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