

When a Commercial Evaluation Is the Wrong Tool: Why Declining Some Assignments Protects Clients



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In property valuation work, saying “yes” is easy. Saying “no” – or more precisely, “not this way” – can be the more beneficial service.

From time to time, Boxwood declines assignments for commercial evaluations because the property is simply too complex for that level of analysis. Some glaring examples include a 100,000-square-foot church campus with a multi-million-dollar addition, a combined auto dealership and car wash, a rent-controlled apartment building, and a 30-story office tower in a downtown location – or other properties whose size, use, scope, tenant mix, construction status, etc., call for a deeper level of analysis and diligence. In these type of cases, the more appropriate product is a full appraisal, not an evaluation.



We recognize this may be disappointing to some clients. In some instances, the client may have hoped to obtain a valuation conclusion more quickly or at a lower cost. Others may wonder whether declining an occasional assignment suggests inconsistent service. From our perspective, the opposite is true. **Declining an unsuitable assignment is one of the clearest ways we can deliver consistency, discipline, and value.**

The issue is not whether a property can be assigned a number. Nearly every property can. **The real question is whether the scope of work is appropriate to the complexity of the asset** and whether the resulting value conclusion will be credible, supportable, and useful for the client’s decision-making. That is where judgment matters.

An evaluation is an efficient and entirely appropriate solution for many property types and lending scenarios. But when a property presents unusual complexity, forcing it into an abbreviated or lighter valuation format can increase rather than reduce risk.

This is why we sometimes decline.

When we do, we are not walking away from the client’s problem. We are helping the client avoid a mismatch between the assignment and the asset. That mismatch can create **several forms of valuation risk**, including:

- **It can create a false sense of confidence.** A streamlined valuation product may appear to offer clarity and cost savings, but if the property requires more extensive analysis, the conclusion may be less defensible than a client realizes.
- **It can introduce underwriting and decision risk.** Real estate decisions are only as sound as the assumptions behind them. If the property is unusually complex, a more developed analysis is often necessary to properly understand income stability, highest and best use, marketability, construction risk, absorption, or other drivers of value.

- **It can create downstream friction.** A value conclusion that is not well matched to the complexity of the property may later be questioned by reviewers, credit officers, auditors, or other stakeholders. At that point, the client has not saved time or money. Instead, the client may end up paying twice – once for the initial work, and again for the more detailed analysis that should have been ordered from the start.

Viewed this way, a cancellation is not a failure of service. It is a form of client protection.

In fact, one of the most important things a valuation firm can do is vet assignments before they begin. Not every property is suitable for every valuation product. **Helping clients select the best valuation tool or approach is part of the advisory service a credible commercial evaluations provider brings to the relationship.** It reflects a willingness to prioritize sound judgment over short-term convenience.

That matters because **valuation credibility is built not only on the reports we complete, but also on the assignments we decline.**

An evaluations firm that accepts every order without regard to fit may appear accommodating at the moment, but that approach does not necessarily serve the client well. A firm that pauses, evaluates the complexity, and recommends an alternative valuation solution is adding value before any report is even written.

That is the standard we aim to uphold.

Boxwood produces 400 FieldSmart commercial evaluations per month across the U.S. We have retained many of our clients over the long term because they know our work is thoughtful, credible, and disciplined. That experience gives us a broad view of what truly fits within the scope of an evaluation – and what does not. When we determine that an assignment is better suited for a full appraisal – or, at minimum, an evaluation with both the sales and income approaches – that conclusion is not arbitrary. It is informed by scale, market experience, and a commitment to protecting the client from unnecessary valuation risk.

In the end, the cheapest valuation is not always the one with the lowest upfront fee. Often, the most cost-effective solution is the one that is credible the first time, suited to the property, and durable under scrutiny.