



RECOVERY TIPS - By DUSTIN MOORE

The “Appraiser Shortage”

You’ve undoubtedly seen it in mortgage headlines: There’s a shortage of appraisers and that’s why lenders are facing longer turn times, poor report quality, and higher appraisal fees. If that’s what you’re hearing from your appraisal management company, it’s time to call another one.

The Appraisal Subcommittee keeps a national registry of all state certified and licensed real estate appraisers. According to the ASC, the number of licenses has decreased from 121,407 in 2007 to 110,026 in 2010, or by 9%. But according to MBA’s origination numbers, originations are down 58% from the same period, so the drop in appraisers isn’t correlating to the reduction in their main source of business. On the contrary, appraisers are hanging in there remarkably well.

As the leading provider of appraisal formfilling software and the owner of the Mercury Network, the platform that handles 10,000 transactions a day, rest assured that a la mode would be among the first to know about a shortage of appraisers. Of course, appraisers have seen big challenges with this economy and regulatory environment. But overall, they’re supplementing their post-boom business by working with lenders and fair-paying appraisal management companies, and marketing to new segments like homeowners.

“The supposed shortage of appraisers is a misleading claim,” said Jon Tallinger, Vice President of Class Appraisals Group, a nationwide appraisal management company at www.ClassAppraisals.com. “We rarely encounter any sort of appraiser shortage. As a matter of fact, we get calls every day from very

qualified appraisers wanting to join our panel and ready to offer extremely fast turn times.”

“Maintaining a very large national panel has allowed us to remain very competitive when it comes to turn times and coverage,” continued Tallinger. “We are constantly recruiting new appraisers to ensure we don’t run into any problems like this and have been very successful finding appraisers to deliver the highest quality reports, with quick turn times. In addition, we’ve found that appraisers enjoy working with Class Appraisals because we pay very competitive fees.”

“It’s strange to read about the supposed appraiser shortages in the mortgage news,” said Jennifer Miller, Executive Vice President of Products for a la mode’s Mortgage Solutions Division. “Lenders and AMCs using Mercury Network for vendor management are backed with 100% nationwide appraisal coverage. That’s every county in every state. The feedback we’re hearing from our lenders and appraisal management companies is outstanding. They’re seeing higher quality reports because of our appraiser desktop reviews, and delivering final appraisal reports to their clients much faster than before since.”

If you’re hearing about an appraiser shortage, check the source. Are they an automated valuation model (AVM), or some other appraisal alternative provider? They may have a profit motive in creating the appraiser scarcity myth. Are they a struggling appraisal management company trying to explain slow turn times and high fees? They may be trying to make you believe it’s an industry-wide problem instead of their own. The truth is, highly qualified, local appraisers are ready to complete reports for you quickly. If you’re hearing otherwise, it’s time to shop around. ❖

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