

AMC's An Appraisers View



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Presenter

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The Issue of Fees



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C & R FEES VS CPI



The Issue of Fees

- What is “customary and reasonable”?
- Established by local area.
- Fees by non-AMC lenders = \$400.
- Veteran’s Administration = \$450
- Mercury Network = \$400
- Conclusion = \$400

The Impact



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- Has created the “**sub-prime**” appraiser
 1. Inferior skill sets
 2. Inaccurate reports
 3. Geographically incompetent
 4. Insulated from accountability
- Resulting in more oversight, additional report requirements and pressure to meet “turn-times”.

The Impact - California



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- Creating an residential appraiser shortage

January, 2009 = 17,647

June, 2010 = 14,610

3,037 or 40 per week

Trainee's down 1,817 or 23 per week

Residential down 1,164 or 15 per week

General down 56 or 0.7 per week

- 5/2010 – $552,800 / 9,527 = 58$ /appraiser



Other Issues

- “Blasting” of assignments
- Indemnity Provisions
- Unreasonable exhibit demands
- Payment of additional “portal” fees
- Non-standard delivery methods
- Different software requirements
- Incompetent reviewers

The Answer – AMC's Statement of Best Practices



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- Payment of “customary & reasonable fees.
- Full disclosure of fees to consumer
- Recognition of experience and designations.
- Reasonable and fair dispute resolution process.

The Answer – AMC's Statement of Best Practices



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- Market and geographic competence of review process.
- Maintain the confidentiality and security of appraisers data and signature.
- Report all violations of law and standards to the appropriate authorities.

The Answer – Appraiser Statement of Best Practices



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- Maintain appraisal independence by adherence to USPAP and ethics
- Accept assignments with geographic competence.
- Exhibit and promote true professionalism.
- Adhering to a fairness in reconsideration of value.
- Maintaining high public relations on behalf of the appraisal management company.