


# Positive Change 2012: Major Lender Steps Outside the Box

Guest Post written by Randy Shervey and Bonnie Baldwin, Portland Rose City Chapter of NAIFA (National Association of Independent Fee Appraisers)

The recent one and one-half-day appraisers event that was  held December 5<sup>th</sup> and 6<sup>th</sup> in Seattle, Washington, found many members of the Rose City Chapter of NAIFA in attendance together with a total audience of 150, which included appraisers from Oregon, Washington and California. While some of the time was spent on properly utilizing the required Uniform Appraisal Dataset (UAD) format, this event provided an enlightening and informative presentation that included many other interesting topics and eleven hours of Continuing Education Credit.

The sponsor of this event was Lender Support Services, a newly formed management division of US Bank that was created as a result of the new requirements from Dodd-Frank. The event was prompted by the less than desirable quality of the appraisal reports they were receiving from various third party providers.

As part of the fifth largest bank in the nation Lender Support Services anticipates expansion of their coverage areas 10 fold in the coming months and wants to provide a source of business for top quality appraisers. A key point emphasized was that they will require good quality, well documented, USPAP compliant appraisals and they stated numerous times throughout the presentations “we’re looking for the best appraisers” and “we are willing to pay for the best appraiser.” They indicated payment for all completed appraisal work will be made within 30 days from receipt of the approved appraisal. They are also considering implementation of a direct deposit option that will ensure even prompter payment.

We as Appraisers have heard similar lip service before from various potential and/or current clients, however US Bank is the first major lender to actually step outside the box, own up to their obligations, and extend themselves with a precise business model that is intended to enhance their ability to better recognize and develop the best approved appraiser panel. They are making a sincere effort by working together with the appraisal community to provide educational development, communication and recognition of what we as fee appraisers deal with on a daily basis.

Their presentation included a team of six key members of their staff as speakers. Tony Pistilli, Chief Residential Appraiser, discussed the procedures for US Banks residential lending process. Todd Loudenslager, Senior VP and Senior Risk Officer informed attendees of the Banks obligations from a regulatory standpoint in the areas of fraud, disaster recovery, and operations, emphasizing that consistency in the valuation process is what federal regulators want. Rick Davis, Assistant VP, of Collateral Assessment, presented their policy on appraisal review. He pointed out that Underwriters will no longer be responsible for the appraisal review process. Each and every appraisal completed for US Bank's Lender Support Services will be reviewed by their in-house review appraisal team, which is staffed with appraisers only. Jennifer Blake-Parson, Appraisal Training Manager, discussed the training side of the process and will assist in the review process by instructing/training the appraiser in correct methodologies and appraisal skills whenever a need is indicated.

The last day of the event included a presentation by Mark Linne of Bradford Technologies. He shared his vision of the future for the appraisal industry and expressed a true understanding of the external pressures and uncertainty of the business environment we work in today. It was a thought provoking presentation that emphasized the need for innovation

in the appraisal process and what he feels we as "Independent Fee Appraisers" need to do to remain viable in the future.

In an effort to step up their recruitment and retention of the "best appraisers" US Bank offered those of us who attended the opportunity to personally meet the appraisal team, so that we could learn and have a greater awareness of their perspectives and the new business model.

It was a refreshing and new experience for a lender to provide the opportunity to learn and grow together as industry partners. As attendee's at this event we came away with a new optimism for the future of our business and felt that by stepping outside the box US Bank created an image of themselves as a leader by restoring respect for and recognizing the integrity of what we as "Independent Fee Appraisers" do. Other lenders and users of appraisal services take heed: "The Cream of the Crop will rise to the Top."

Just as US Bank has stepped outside the box to become a leader in developing a more positive relationship with appraisers, placing good quality, well documented, USPAP compliant reports as a top priority, your local NAIFA Chapter will strive to take steps in 2012 to create opportunity through the individual development and education of its members and by fostering a greater awareness and more positive relationships with industry partners that include lenders, third party providers, Home Builders, Realtors and Legislators in an effort that will enhance the appraisers future in this ever changing profession.