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Appraiser shortage? Limit the trainees!

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Today we had our weekly appraiser trainee meeting at our appraisal company. Here we discuss the progress of current trainees as well as the scheduling of potential trainees not yet started in the program.

Then it dawned on us: the proposed Board of Registration regulations will limit the number of trainees to three trainees per certified appraiser. We have two staff appraisers qualified to train recruits. This equates to a grand total of only six trainees for the next two years!

The majority of appraisers in Mass. are over the age of 50 with a significant number closer to retirement age. New appraisers are desperately needed. Investor restrictions have curtailed training of new appraisers for the past four years, although some appraisal companies, like North Atlantic, are still finding ways to train in the face of this restrictive environment.

If investor restrictions were not enough, now the state and the appraisal qualifications board are on the brink of imposing changes that may curtail our ability to train the next generation of appraisers. The proposed regulation will limit the number of trainees a certified appraiser can supervise to three. This bill mimics the upcoming 2015 changes to criteria established by the appraisal qualifications board. We do not disagree with the idea of tighter controls on the supervisor/trainee relationship as these changes are in response to abuses and insufficient oversight of the past decade.

An important question not addressed in the proposed regulation is the current relationship of trainers to trainees. For example: if I now have four trainees, will I have to fire one when the regulation becomes final? This comes at a time when appraisal trainees are needed and would negatively impact the trainee, appraisal companies and the residential lending process.

The twin overreactions to the financial crisis (investors' de facto shutdown of the trainee pipeline and governmental limitations on new appraisers) will guarantee appraiser labor shortages into the foreseeable future.

Translation: In the coming years, consumers, you will be paying more for your home appraisal and you will wait longer for it to be completed.

Jonathan Asker is the 2012 president of MBREA and is CEO at North Atlantic Appraisal Company, West Bridgewater, Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540