

2015 REALTORS Legislative Meetings

It was my pleasure to attend this event again this year.

I attended the NAR 360 event on Tuesday afternoon. It was an exciting event where we heard updates on our priorities, heard update from Secretary of HUD, plus a challenge for us to be aware of our safety after the murder of a Realtor from Arkansas.

On Wednesday, May 13, I attended the Real Property Valuation Committee meeting. There was quite a lot of discussion about Collateral Underwriter which is a program that analyzes appraisals through a computer model and rates them and suggests possible additional comparables. There was discussion that lenders need additional training in using this tool so that they do not cause delays in closings. Also, appraisers are rated in this process from 1-5. 1 being the best score and 5 being the worst. Often if an appraisal has 4 or 5 rating then it is pushed up for more review on the viability of the loan. However, appraisers do not know how they are being rated. There is a potential for this rating to be used in the future to prevent appraisers with high numbers from appraising properties that are federally insured.

We also discussed the putting together of an Automated Valuation Model (AVM) FAQ sheet. This will be done by the next meeting.

We heard brief updates from The Appraisal Foundation Advisory Council and their Board of Trustees. Our rep on the board of trustees is going to push for more transparency on Collateral Underwriter and its rating system of appraisers.

We got a legislative update from Sarah Young. The main focus was delaying the implementation of the new FHA rules until September 15. While FHA does offer some webinars on this, they are vague on purpose, because they want the appraisers to read the manual. It would be advised to bring some education into our regions to help appraisers with these updates.

GSE reform is really on hold for next 22 months.

Another concern that surfaced in the new business section was support for adjustments made in appraisals. FannieMae is looking for how appraisers come up with their adjustments.

Respectfully submitted,

David Lanpher