



Tech and Appraisal Valuation

It used to be an appraiser would research the market by going to the courthouse to review property records. Times have changed.

PRIOR TO THE INTRODUCTION OF PERSONAL COMPUTERS, cell phones and a variety of additional technology that we currently take for granted, an appraiser's job was considerably more labor intensive than it is today. The nature of the job has always been hands-on as well as extremely analytical, requiring that the appraiser do as much research and investigation as possible in order to provide the most accurate results.

Significant advances in technology in recent years, however, have provided appraisers with immediate access to more sophisticated technology than ever before, allowing for more efficient gathering of information and ultimately, more accurate appraisals.

Before the Internet, an appraiser's research method used to consist of a trip to the town hall and/or courthouse to review property information. MLS books were available only in print, and were mailed, weighing about 4 lbs. each. Imagine having to flip through an MLS book. With today's overabundance of information available at the click of a button, we sometimes forget how much longer many processes used to take. Before e-mail, appraisers would have to travel to the client to pick up and/or drop off an appraisal order or report.



Let's not forget the appraisal process before the digital camera. Appraisers oftentimes had to make several trips to and from the property site lugging clunky camera equipment to take pictures, measurements and to inspect the property, then head to the local one-hour photo center, only to find that none or few of the photos came out clear enough to send to the client, and so back to the property site they'd go. Nearly 100 miles in gas, several hours spent traveling to and from the site, and a few rolls of expensive film later, an appraiser now

had all they needed to create the actual appraisal report, which would likely consist of a great deal of cutting and pasting to create the final presentation to the client. The report would then likely be over-nighted or hand-delivered in person to the client. With so many time-consuming steps, it could take a considerable amount of time to complete an appraisal, not even including any edits or requests for additional information from the client.

Sounds like an exhausting day, doesn't it?

Today, with the Internet, e-mail, cell phones, GPS systems, sleek digital cameras, laser measuring devices and automated valuation tools, a great deal of research can be done right from an appraiser's office, and if planned carefully, one relatively brief

trip to the property site should be all it takes to capture some images and basic measurements for the report. No trip to the store to get pictures developed is necessary. Digital cameras eliminate the need for photo processing, and numerous pictures can be taken while onsite, so the probability of having to go back to take more pictures is much less likely. This saves a considerable amount of time and money that might otherwise be spent on traveling back to the site.

The client needs a copy of the report today? It is 5 p.m. Thank goodness for e-mail and PDFs. Plus, lending institutions are able to order appraisals online and to periodically check the status of their orders whenever they want, which means fewer phone calls for the appraisers, who can spend more time doing what they do best—analyzing data and creating accurate, high-quality appraisal reports.

Some appraisers may even have access to mobile technology devices that allow them to enter information into an online appraisal report form while they are walking through the property site. This typically would not be sent directly to the client, such as in the case of a commercial property appraisal, but would aid significantly in the organization of the information gathered when the appraiser gets back to his or her office to do the analysis. Appraisers can, however, communicate with both colleagues and clients through cell phones and emails for faster communication with regards to any last-minute revisions that might need to be made.

Appraisers today can find software that can do just about anything you need, faster, and more efficiently. From electronic forms software, to digital cameras, advanced mapping and sketching software to laser measuring devices, appraisers now have an abundance of gadgets available. And, as appraisal technology continues to advance, we will likely see even more

tools to make the appraisal process less cumbersome. Plus, most communication is done through e-mail, or possibly even through an online form application, where the customer can enter all of the information required,

and feasibly have an appraisal report delivered to them later that same day without much contact with the appraiser at all.

Sounds too good to be true, right?

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PAPERLESS EVOLVED

Tech Outlook

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Of course it is. It's important to remember to keep in mind the ultimate goal of the appraiser—to provide a property valuation that is accurate based on extensive research and analysis.

There are three things I have learned in my 25-plus years as a professional appraiser and now being president and chief corporate appraiser of a rapidly growing national appraisal management company.

They are as follows:

1. Faster doesn't always mean better.

It is very important for appraisers, lending institutions and clients to remember that, although there is a plethora of information at their fingertips, it is still always the job and responsibility of the appraiser to analyze this information and to present the most accurate valuations possible. Although it might make the customer happier in the short term, technology should not just be about doing faster appraisals.

Technology is certainly an advantage, but the focus of new technology should be on the added productivity and efficiency, not just speed. While same-day appraisal delivery has been made possible with the introduction of PDFs, EDIs, fax, e-mail and document management software/online applications, it is not always the best practice to produce an appraisal so quickly, especially if there is a lot of information to analyze. Since 1998, we have built Lincoln Appraisal & Settlement Services on the philosophy that "in the end, it is the quality that matters, not the speed." Too many mistakes can be made when reports are created in haste which can have costly financial repercussions. **MT**

George Demopoulos is president, chief corporate appraiser and co-founder of Lincoln Appraisal & Settlement Services, Providence, R.I.

Scott Happ Q&A

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a superior user experience. Site optimization involves studying the user experience through user testing, applying site-design best practices, and testing the impact of site changes on conversion rates.

You can see an example of what I

think is a superior mortgage shopping experience by visiting Mortgage Marvel (www.mortgagemarvel.com), a website we operate on behalf of our clients. Serious students of mortgage shopping sites say that the site is truly unique both in terms of providing the most accurate comparison of loan quotes from multiple lenders available on the Web, and providing highly actionable quotes. **MT**

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