

From: J Burns
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Comments:

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The AMC's have no "skin in the game" for the long term success of the mortgage loan for which the appraisals are being done. AMC's only want appraisals faster and cheaper. Well, you can get a hamburger faster and cheaper at McDonald's but a steady diet of them will make you very ill. The AMC's are feeding the banks "fast food" appraisals. They order appraisals from the cheapest and fastest appraisers rather than focusing on quality and paying a fair price for it. If improving the quality of appraisals overall is the goal, why not insist that the selection of the appraiser is done by someone or some entity that has some long term financial interest in the success of the loan, rather than a disinterested, third-party middle man that is focusing on his profit margin and squeezing the appraisers for every last dime. There are some things that you shouldn't necessarily select based upon the cheapest price - brain surgery, clothing, food, attorney, tax consultant, and if you're a bank, your real estate appraiser.