

Understanding Appraisal Management Companies Through Some Key Statistics

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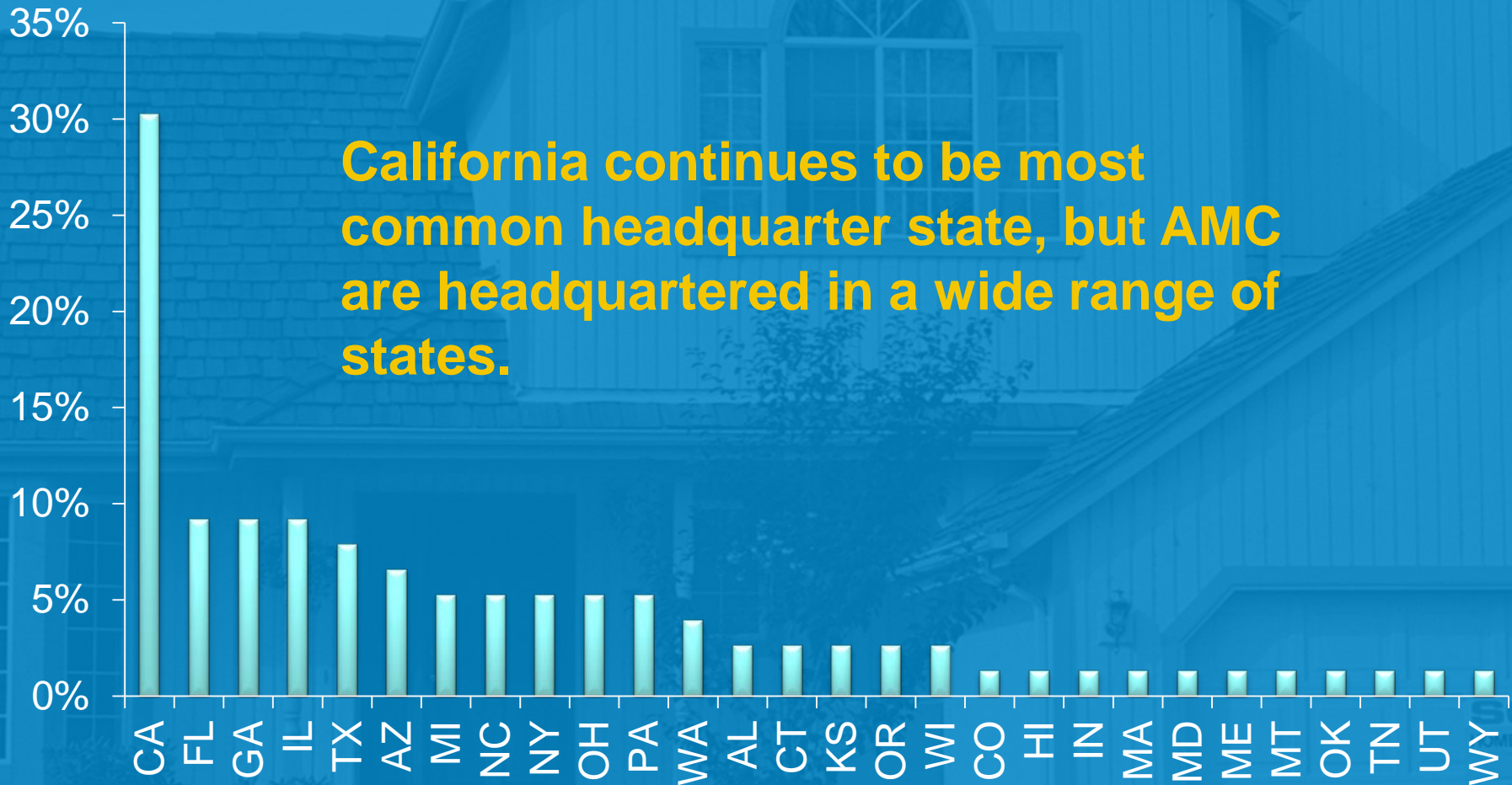
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Notes about data supporting statistics:

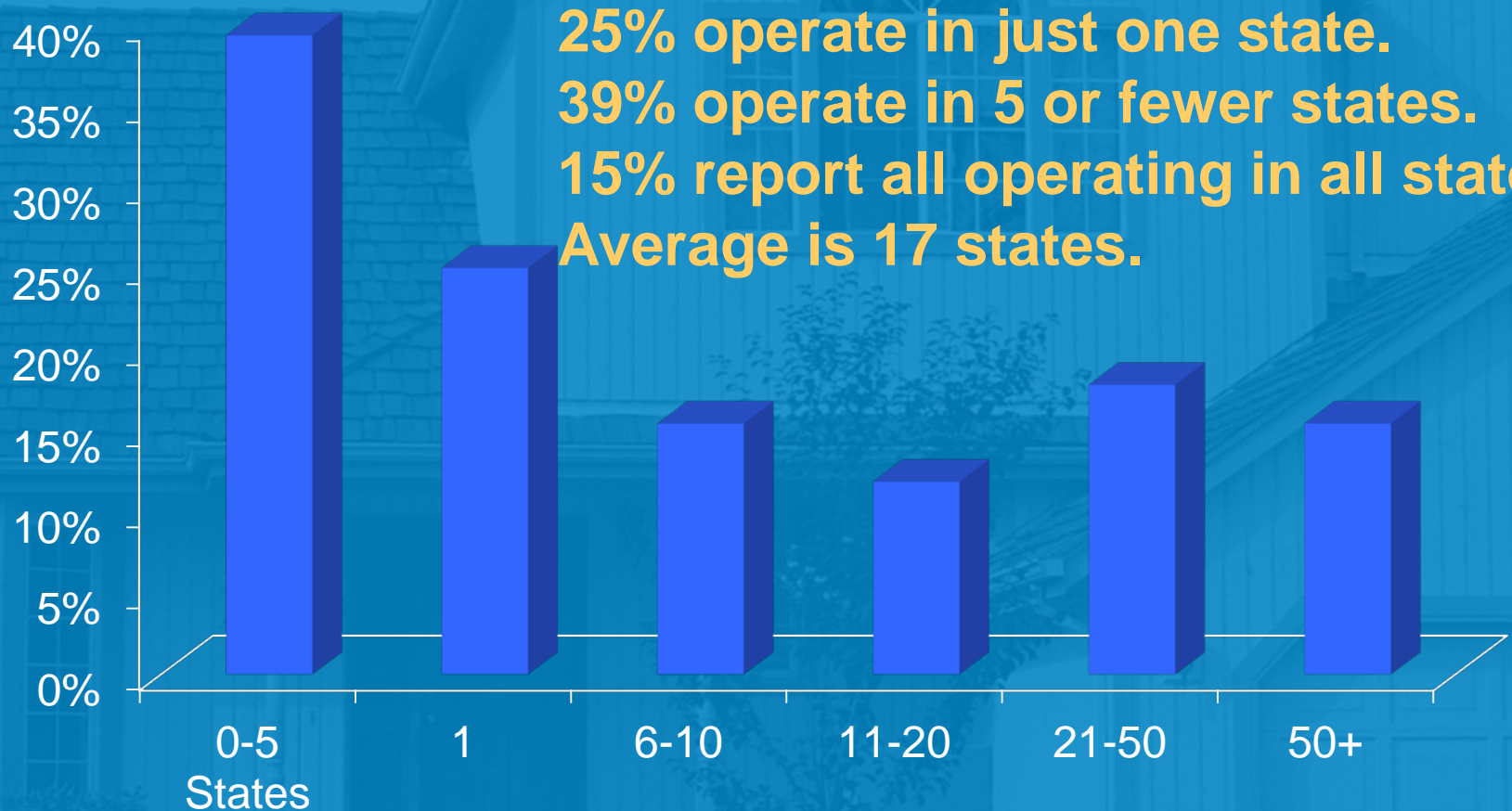
- Approximately 140 AMCs.
- AMCs in pool are generally more stable than average – they seek to insure themselves, have capital at risk and are able to pay insurance cost.



AMC Headquarter States



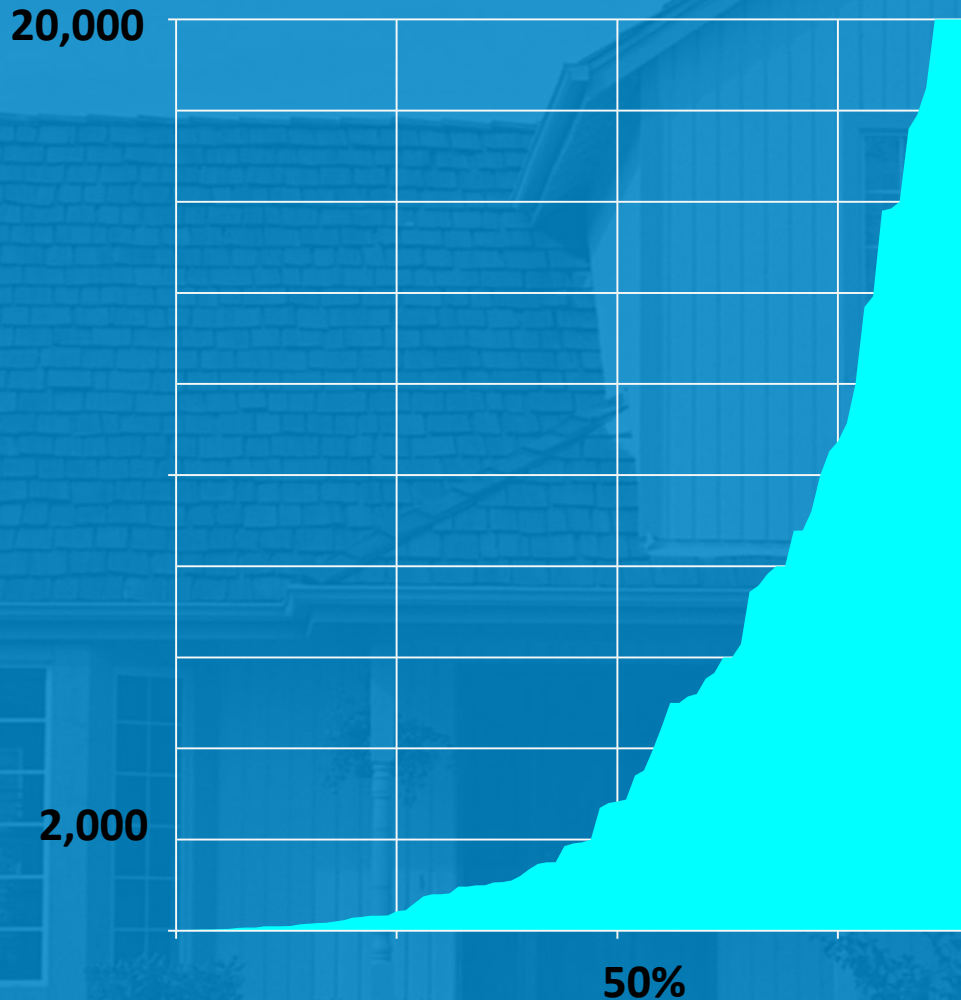
Number of States in Which AMC Operates?



25% operate in just one state.
39% operate in 5 or fewer states.
15% report all operating in all states.
Average is 17 states.



AMCs by Number of Panelists

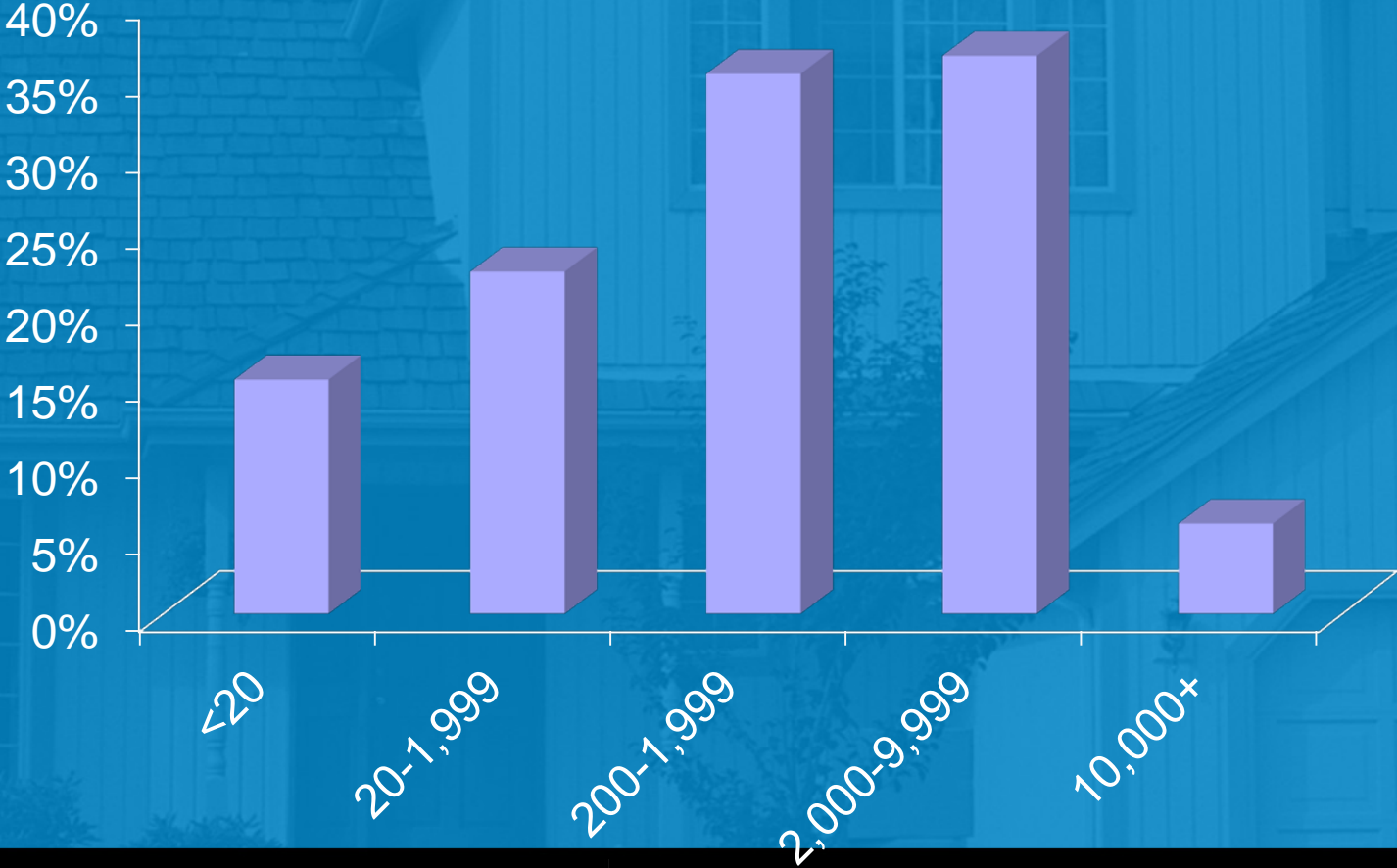


AMCs continue to vary widely in the size of their reported appraiser panels. The size of panels range from below 25 to 23,000+. Average appraiser panel size is 2,840 (an increase from 2,400 since 2014).

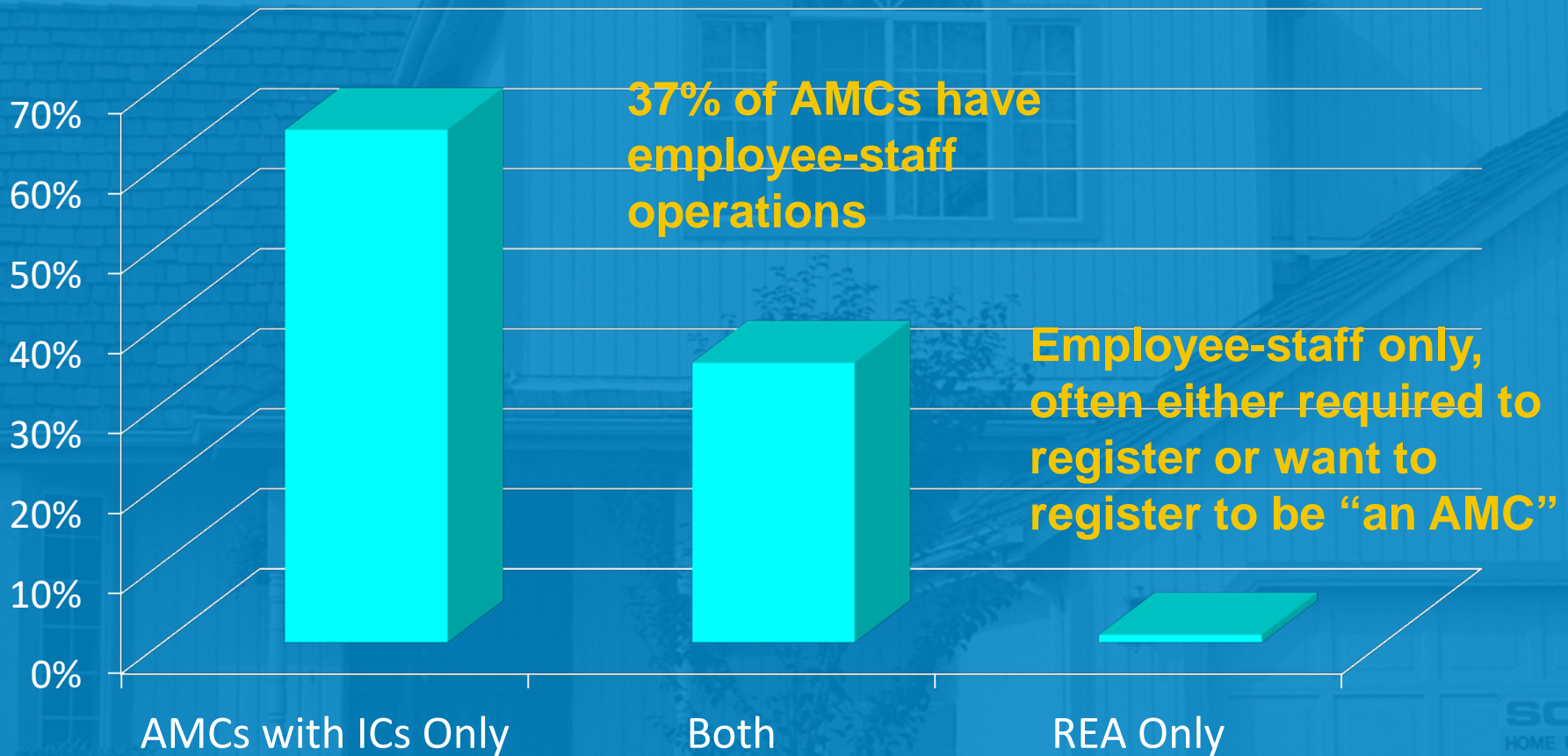
(Sidenote: the 2nd most common legal action against against AMCs relates to AMC's management of an appraiser panel – *i.e.*, alleged improper “blacklisting” or defaming of appraiser.)



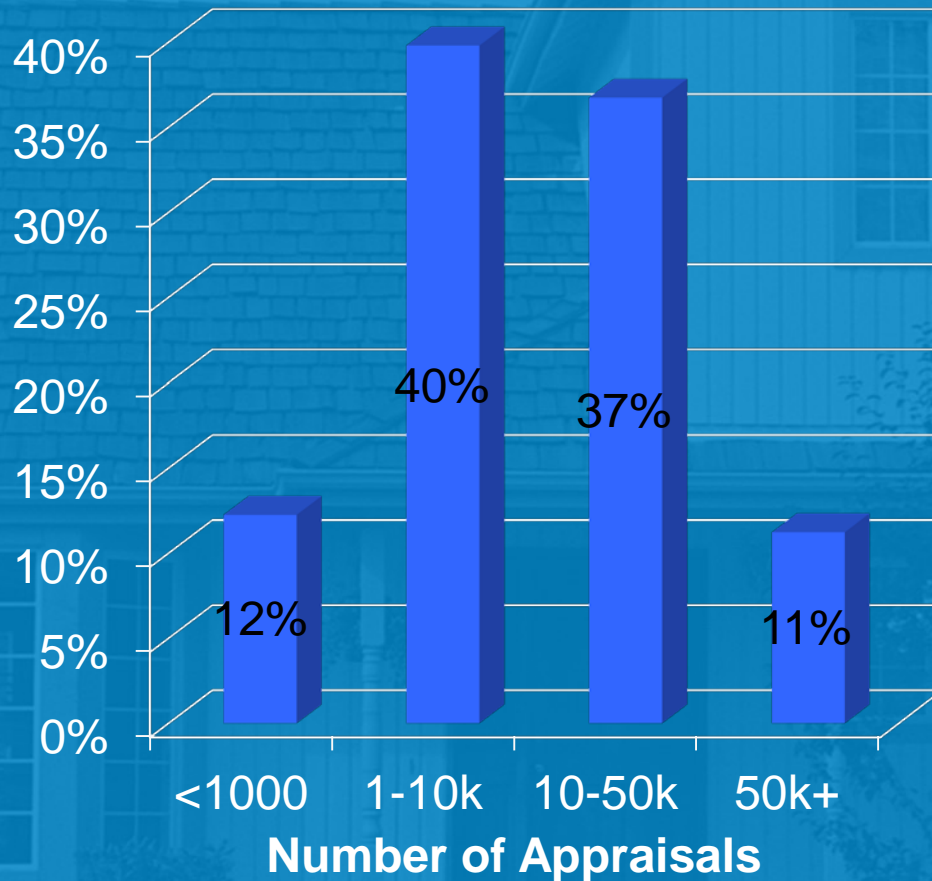
AMCs by Number of Panelists



AMCs with ICs, Staff Appraisers, or Both?



% of AMCs by Number of Annual Appraisals



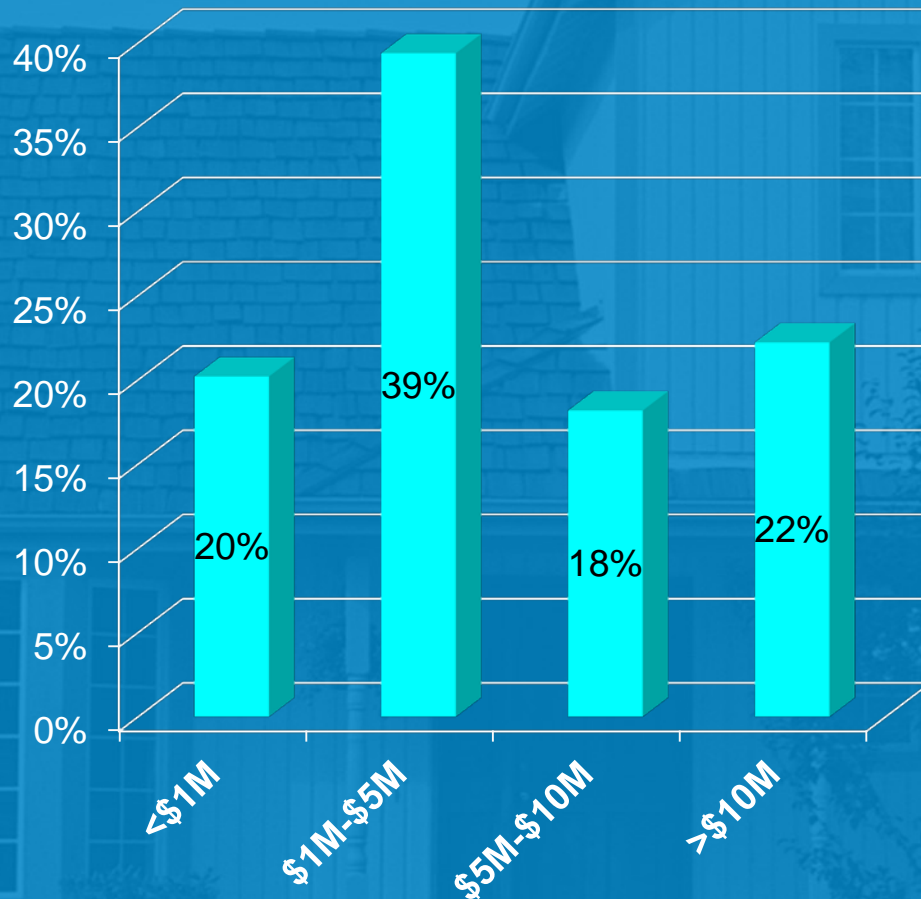
Handful manage > 100,000
52% manage < 10,000

Average is 22,400
appraisals

Trend is continued
concentration at the top



AMC Annual Gross Revenue Range



Gross Revenue from Appraisals

Average gross revenue was \$7.68 million in 2014. In last 12 months, it was \$8.7 million.

65% estimate revenue will increase in next 12 months. 23% estimate a decrease.

85% of AMCs with greater than \$10 revenue estimate an increase.



Other AMC Observations

- A few AMCs have a business model of operating only in states that do not require AMC registration.
- A few others have a business model of not operating in states which require a license bond.
- Lender-owned AMC have a higher incidence of legal claims against them.



AMC Business Trends

- Increased movement to hybrid AMC/appraisal firms.
- Increasing development of alternatives to traditional appraisal products.
- Burden and cost of AMC regulation leading some “valuation” firms to favor non-appraiser products.

