“How do we ensure that, in the future, our agencies will continue to have a sufficient pool of qualified appraisers?” (Staff & Fee)
As of December 31, 2014, the number of active real estate appraisers in the U.S. stood at 78,800.

The average annual rate of decrease is nearly 3.0 percent – a cumulative decline of 20% since 2007.

Source: Appraisal Institute: “U.S. VALUATION PROFESSION FACT SHEET” (Dec 2014)
A broader analysis suggests the rate of decrease could rise sharply over the next 5-to-10 years due to retirements, reduced numbers of new people entering the appraisal profession, economic factors, and greater use of data analysis technologies.

Source: Appraisal Institute: “U.S. VALUATION PROFESSION FACT SHEET” (Dec 2014)
“10 things real estate appraisers won’t tell you”
(Article in “MarketWatch.com”; (11/18/2014)

Link:
http://www.msn.com/en-us/money/realestate/10-things-real-estate-appraisers-won%e2%80%99t-tell-you/ss-BBewCml#image=1
MarketWatch

Daniel Goldstein
11/18/2014
“We don’t know your neighborhood.”

More and more appraisers are accepting assignments out of their traditional market areas.
“It’s too hard to get this job.”

<table>
<thead>
<tr>
<th>License/Certification Level</th>
<th>Classroom Hrs</th>
<th>Work Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trainee</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td>Licensed Residential</td>
<td>150</td>
<td>2000</td>
</tr>
<tr>
<td>Certified Residential</td>
<td>200</td>
<td>2500</td>
</tr>
<tr>
<td>Certified General</td>
<td>300</td>
<td>3000</td>
</tr>
</tbody>
</table>

*Source: Appraisal Institute: “U.S. VALUATION PROFESSION FACT SHEET” (Dec 2014)*
2/3 of the licensed/certified appraisers in the country are above the age of 50.

<table>
<thead>
<tr>
<th>Age Range</th>
<th>&gt;66</th>
<th>51 – 65</th>
<th>36-50</th>
<th>26-35</th>
<th>&lt;25</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Appraisers</td>
<td>11%</td>
<td>51%</td>
<td>24%</td>
<td>12%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: Appraisal Institute: “U.S. VALUATION PROFESSION FACT SHEET” (Dec 2014)
“Our ranks are shrinking - (and aging)”

Percentage of appraisal firms planning to hire more trainees (per 2013 Appraisal Institute survey):

- Residential Appraiser Firms: 9%
- Commercial Appraisal Firms: 21%
Male: 74%
Female: 26%

Source: Appraisal Institute: “U.S. VALUATION PROFESSION FACT SHEET” (Dec 2014)
The appraiser population in the US today is 90% White.

<table>
<thead>
<tr>
<th>Ethnicity*</th>
<th>White</th>
<th>Latino/ Hispanic</th>
<th>Black</th>
<th>Asian</th>
<th>Native American</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Appraisers</td>
<td>90%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

(* Other: 3%)

Source: Appraisal Institute: “U.S. VALUATION PROFESSION FACT SHEET” (Dec 2014)
“Why are we talking about all this, in regard to “Qualified Appraisers”? Because our nation’s licensed/certified appraisers are:

- **“Old”:**
  - 11% over the age of 66
  - 66% over the age of 50

- **“Retiring in large numbers”:**
  - -20% since 2007

- **“Not being replaced”:**
  - 1% under age 25
There’s 1 thing we can’t afford to do .....

The **BIG** Question for us is . . .

“How do we ensure that, in the future, our agencies will continue to have a sufficient pool of qualified appraisers?” (staff & contract appraisers)
A Few Potential Strategies

1. Conduct research through AASHTO/FHWA to:
   • identify the issues
   • Quantify the extent of the problem
   • Develop potential strategies
   • Implement strategies and evaluate results
A Few Potential Strategies

2. Succession Planning
A Few Potential Strategies

2. Develop and/or deliver Eminent Domain Appraisal Training that is tailored to the requirements of your State/Agency.

(current FHWA training available through the Resource Center:

- **Uniform Act**
- Outdoor Advertising and Junkyard Control
- **Federal Aid Appraisal Requirement**
- Advance and Hardship Acquisition
- Relocation Assistance
- **Federal Requirements for Local Public Agencies (LPAs)**
- MAP-21 Realty Implementation
A Few Potential Strategies

3. Outreach to Appraisal Groups
   – Appraisal Institute
   – National Association of Independent Fee Appraisers
How Do We Get There?

Discussion . . .