

# First American Offers Appraiser Reviews of BPOs

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**First American Valuation and Property Solutions** – the Dallas-based subsidiary of the **First American Corporation** (**FAF**: 15.93 **-0.25%**) – added appraiser reviews of broker price opinion (BPO) reports to its new property valuation offering.

The move to add appraiser reviews allows firms without on-staff appraisers to outsource BPO verification operations – a trend sources say is catching on.

Under First American's new offering, a licensed appraiser confirms the specific set of values a real estate agent uses by looking at comparable sales to verify the BPO report's accuracy. If a discrepancy is found, First American said, the appraiser provides a new set of values, with an explanation of how they were determined.

"This year servicers and investors will order millions of BPOs as they work through loss mitigation scenarios and attempt to value portfolios and distressed assets," said Joni Pierce, First American Valuation and Property Solutions division senior vice president in a press statement. "With this level of activity, it is even more important to verify accuracy while increasing throughput and reducing processing costs."

The practice of reviewing BPOs is not new. For example, an asset manager that handles real estate owned (REO) properties will typically commission two BPOs for any given property, Mark Ozman – a broker associate at **Keller Williams Realty** in Indianapolis – told *HousingWire*.

When those two reports conflict, Ozman says, many times the asset manager will send the reports to a third party for review, sometimes by an appraiser. But it's not the norm. "I've done nearly 1,000 BPOs, and I've had about three or four reviewed like that," Ozman said.

First American said the service is an option for clients to outsource BPO verification operations or to supplement existing BPO review processes, allowing existing staff to focus on high touch cases. The service offers both exterior-only or exterior and interior reports.

Michael Ramer, president of the **National Association of Broker Price Opinion Professionals (NABPOP)** said the concept of using appraisers to verify BPOs is nothing new, but said an outsourcing option is an emerging trend for the valuation industry.

"A lot of companies that do broker price opinions will have appraisers on staff as part of their regular quality control process," Ramer told *HousingWire*. "If you don't have a very big BPO operation, this may be a good value added service."

Write to [Austin Kilgore](#).

*The author held no relevant investments.*