

July 2, 2004

Recent announcements about Automated Value Model (AVM) use have generated a lot of negative response from appraisers and appraisal groups. "These things are being used specifically to put us out of business" said one appraiser from the Midwest. "The only reason banks want AVM's is to make me lower my fees." A spokesperson for a regional appraisal organization who spoke to us on the condition that he remain anonymous said "This is clearly not about improving processing efficiency, that is just a smokescreen. This is a thinly veiled effort to put an end to the appraisal profession. They intend to eliminate the need for 20% to 40% of the valuation market for real estate appraisers initially, and 100% of it eventually. We are seeking legislation to put an end to this absurd practice once and for all".

In a related announcement, the Organization to Save Toner Reliant Imaging and Copying Habits (OSTRICH) filed a restraining order against real estate appraisers nationwide declaring their move to digital photography and portable document files (PDF) "immoral, unethical and down right anti-American". Spokesman Hedley Stucinzasand railed against appraisal professionals who have clearly "turned their back on every toner salesman in the country" by caving in to the false promises of increased speed and efficiency of electronically delivered digital images. "We have depended for years on appraisers producing multiple copies of lengthy reports as a key component in of our business plan. We believe the years of service we delivered have earned us the right to their business; they have no right whatsoever to explore alternate methods."

A similar statement was mailed about two weeks ago from the headquarters of the National Institute for Maintaining Rigorous Obedience to Dogma (NIMROD) on behalf of One-Hour Photomats. "Photo processing business has tumbled in recent years and we place the blame squarely on the shoulders of real estate appraisers. There is no possibility that digital photography will ever compare in quality to the prints we can produce in parking lot kiosks across America, and matching the speed of our service is impossible." This unethical and immoral move by appraisers to go digital and eliminate photo processing has been facilitated by none other than the likes of Canon, Minolta and Kodak. "We have been duped by the very companies we had come to depend on and we don't like it" said one NIMROD executive.

NIMROD secretary Jack Toff said that in a show of solidarity, kiosk operators across the country would no longer be accepting film processing from customers using Canon, Minolta or Kodak 35mm cameras. "We need to send a clear message to these companies that we cannot support companies that give consumers choices that ignore our years of loyalty." Mr. Toff said the operators would also discontinue selling accessories for these brands.

About OSTRICH

OSTRICH is a non-profit member organization based in Kitty Hawk, NC. Its mission is to promote and preserve public dependence on equipment with high cost consumables. Kitty Hawk was selected primarily because of its overall lack of building code

enforcement without compromising its outhouse preservation standards. “We also felt it was important to be located in a community with a lot of sand.”

About NIMROD

NIMROD was founded in 1901 in Kitty Hawk, NC. NIMROD was originally organized on behalf of covered wagon operators and continues to lead the century old fight against air travel. NIMROD confers the designation “Specialist, Preventing Advancement Zealotry (SPAZ) on members who have consistently demonstrated a commitment to the way things used to be.

© 2004 William King & Associates

Bill King is President of ValueOne Appraisal, a residential real estate appraisal firm serving the Puget Sound Region of Western Washington. He serves as co-chair of the Government Affairs Committee for the Seattle Chapter of the Appraisal Institute. He has written a variety of articles on appraisal practice and valuation issues and is a regular guest on the “Real Estate Today” program on the Business Talk Radio Network. Bill can be reached at billking@valueone.com or by phone at 253.925.5017.