

Louisiana Residential Real Estate Appraisal Fees 2016

April 2017

A study funded by and conducted for
Louisiana Real Estate Appraisal Board
by Southeastern Louisiana University Business Research Center
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The Center is located in the Southeast Louisiana Business Center on Martens Drive, two blocks west of the main campus of Southeastern Louisiana University. The Business Research Center is a proud member of the Association for University Business and Economic Research (AUBER) and the Council for Community and Economic Research (C2ER).

The following study was commissioned by the Louisiana Real Estate Appraisal Board, and was conducted using generally accepted research methods, models, and techniques.

Research and results of this study do not represent any form of endorsement by Southeastern Louisiana University.

Sincerely,

A handwritten signature in black ink that reads 'William Joubert'. The signature is written in a cursive style with a long, sweeping tail on the letter 't'.

William Joubert
Director
Business Research Center

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EXECUTIVE SUMMARY

The Business Research Center at Southeastern Louisiana University conducted an online survey of mortgage lenders who provided loans in Louisiana and licensed Louisiana real estate appraisers to collect information on typical residential real estate appraisal fees paid in Louisiana in 2016. Fee data were restricted to appraisal fees paid directly to licensed appraisers (i.e., not routed through appraisal management companies (AMCs)), per guidance of relevant federal regulations for determining “customary and reasonable” fees.

Usable responses were received from 56 mortgage lenders located in 27 parishes and 218 appraisers with primary offices in 33 parishes, six other states (AL, AR, FL, MS, NC, & TX), and one unspecified location. Appraisal fee data were provided for properties located in all 64 parishes.

Typical appraisal fees were collected for five appraisal types for properties in urban, suburban, and rural locations. Median fees were analyzed by region of the state based on geographic designations by the Governor’s Office of Homeland Security and Emergency Preparedness (GOHSEP), illustrated in Figure 9 and listed in Appendix 4.

The five appraisal types for which typical fees were collected included:

- Form 1004 (Full appraisal)
- Form 1004 FHA (Full appraisal for FHA)
- Form 1025 (Small (1–4 units) residential income property appraisal)
- Form 1073 (Individual condominium unit appraisal)
- Form 2055 (Exterior-only inspection appraisal)

Median fees ranged from lows of \$350 - \$400 for Form 2055 appraisals to highs of \$550 - \$650 for Form 1025 appraisals (Table 32).

Fees for all appraisal types were fairly uniform across the regions, with differences in the highest and lowest regional medians (for the same location type) ranging from \$0 to \$100. Fees for appraisals of rural properties tended to be higher than for urban and suburban properties, but not universally.

Table 32 on page 39 provides a summary of median fees for all appraisal types by every region and location type, and the tables in Appendix 1 provide additional descriptive statistics by region, appraisal type, and location type.

The appraisal fees discussed in this report and summarized in Table 32 should be considered typical appraisal fees for “normal” properties, with adjustments necessary for large or complex properties or properties located in distant or remote locations.

Although there was much variation depending on property details, the median typical fee adjustment for large/complex properties was \$125, while additional distance fees ranged from \$50 for travel distances of 16-25 and 26-50 miles to \$100 for distances of 51 miles and over.

INTRODUCTION

The Louisiana Real Estate Appraisal Board (LREAB) commissioned this study to provide mortgage lenders and appraisal management companies doing business in Louisiana with a convenient, concise, and complete report meeting the requirements for “Customary and reasonable” appraisal fees under the *Alternative presumption of compliance* detailed at:

Title 12 – Banks and Banking
 Chapter X – BUREAU OF CONSUMER FINANCIAL PROTECTION
 Part 1026 – TRUTH IN LENDING (REGULATION Z)
 Subpart E – Special Rules for Certain Home Mortgage Transactions
 Section 1026.42 – Valuation independence
 Sub-section (f) – *Customary and reasonable compensation. (1) Requirement to provide customary and reasonable compensation to fee appraisers.*

Paragraph (f) (3) – *Alternative presumption of compliance* states:

“A creditor and its agents shall be presumed to comply with paragraph (f)(1) of this section if the creditor or its agents determine the amount of compensation paid to the fee appraiser by relying on information about rates that :

- (i) Is based on objective third-party information, including fee schedules, studies, and surveys prepared by independent third parties such as government agencies, academic institutions, and private research firms;
- (ii) Is based on recent rates paid to a representative sample of providers of appraisal services in the geographic market of the property being appraised or the fee schedules of those providers; and
- (iii) In the case of information based on fee schedules, studies, and surveys, such fee schedules, studies, or surveys, or the information derived therefrom, excludes compensation paid to fee appraisers for appraisals ordered by appraisal management companies, as defined in paragraph (f)(4)(iii) of this section.”

METHODOLOGY

The Southeastern Louisiana University Business Research Center (BRC) conducted an online survey of both Louisiana-licensed residential real estate appraisers and Louisiana mortgage lenders to collect a diverse sample of data regarding typical residential appraisal fees for various appraisal types in all geographic areas of the state.

The survey instruments, attached to this report as Appendices 2 & 3, differed slightly for the two groups – lenders and appraisers – in order to collect different background and classification information from

each. Both groups were asked to provide data on their typical appraisal fees charged/paid for appraisals of properties in urban, suburban, and rural locations in all 64 parishes.

The lender and appraiser survey instruments were both hosted on the QuestionPro™ online survey site, and were protected with separate passwords provided to potential survey respondents.

Survey Timeline, Sample Pool, and Number of Responses

An introductory e-mail was provided to LREAB, the Louisiana Bankers Association (LBA), and the Louisiana Mortgage Lenders Association (LMLA) on December 15, 2016 for distribution to their respective membership lists.

Announcements of the opening of the online survey sites, along with the links and passwords, were provided to LREAB, LBA, and LMLA on January 19, 2017 for distribution to their members.

Reminder e-mails were provided to the same three organizations on January 27 and February 13, 2017 for distribution to their members.

In an effort to increase the number of responses from mortgage lenders, a special request for participation was sent on January 23, 2017 by BRC to 66 lenders who had participated in a recent appraisal compliance seminar sponsored by LBA.

The survey sites were closed on March 1, 2017, at which point there were 245 partial or complete survey responses from appraisers and 66 from lenders.

In order to check for duplicate/multiple responses, IP addresses and/or e-mail addresses (when provided) were used to compare responses. Based on these comparisons, 14 of the appraiser responses and one of the lender responses were determined to be partial or complete duplicates of other responses, typically where the responder had exited the survey before completion and later returned and completed the survey again. (Due to the branching nature of some of the questions, it was not possible to go back to a previous question in the survey.)

Removal of the duplicate responses left 231 potentially useable responses from appraisers and 65 from lenders. Seven of the 231 appraiser respondents were not licensed or did not do any appraisals in 2016, so these responses were removed from the data.

Six appraiser and nine lender respondents provided no answers to any questions, so these blank responses were also removed from the data.

After removing the duplicate, unlicensed/uninvolved, and blank responses, 218 appraiser and 56 lender responses remained:

	<u>Appraisers</u>	<u>Lenders</u>
Raw responses	245	66
Duplicates	-14	-1
Unlicensed/not involved	-7	0
Blank	<u>-6</u>	<u>-9</u>
Useable responses	218	56

(Four appraiser respondents and one lender provided data that were partially either indecipherable or unreasonable. These responses included fee data that were obvious outliers (either extremely low or extremely high) compared to the rest of the responses and would have skewed the statistics. The useable portions of the responses were left in the data to be analyzed, but the rest was removed.

The 218 useable appraiser responses represent approximately 30 percent of Louisiana's 716 certified general and residential appraisers (in 2016/17).

The lender survey announcements were distributed to approximately 1,100 bankers by LBA and 230 lenders by LMLA. The response rate among lenders cannot be calculated because 1) it is not known how many of the bankers on the LBA list are mortgage lenders and 2) there is overlap between the LBA and LMLA memberships.

Of the useable responses, 10 appraisers indicated that they only did appraisals for appraisal management companies (AMCs) in 2016, and 20 lenders indicated that either a) they weren't involved in ordering appraisals in 2016 (n=7) or b) all of their appraisals in 2016 were ordered through AMCs (n=13), so these respondents were directed to the end of the survey without being allowed to provide any fee information. However, their demographic and classification information was retained and used in those portions of the analysis.

This process left 36 responses from lenders who potentially could provide non-AMC appraisal fee information for 2016, of which 26 did. Similarly, of the 208 remaining appraisers who could potentially provide fee information, appraisal fee data was provided by 192.

DEMOGRAPHIC AND CLASSIFICATION INFORMATION

Mortgage Lenders

Percentage of Appraisals Ordered Directly from Licensed Real Estate Appraisers in 2016

Question 5 of the lender survey asked for the percentage of mortgage loans processed by the respondent for which appraisals were ordered directly from licensed appraisers, i.e. not through an AMC.

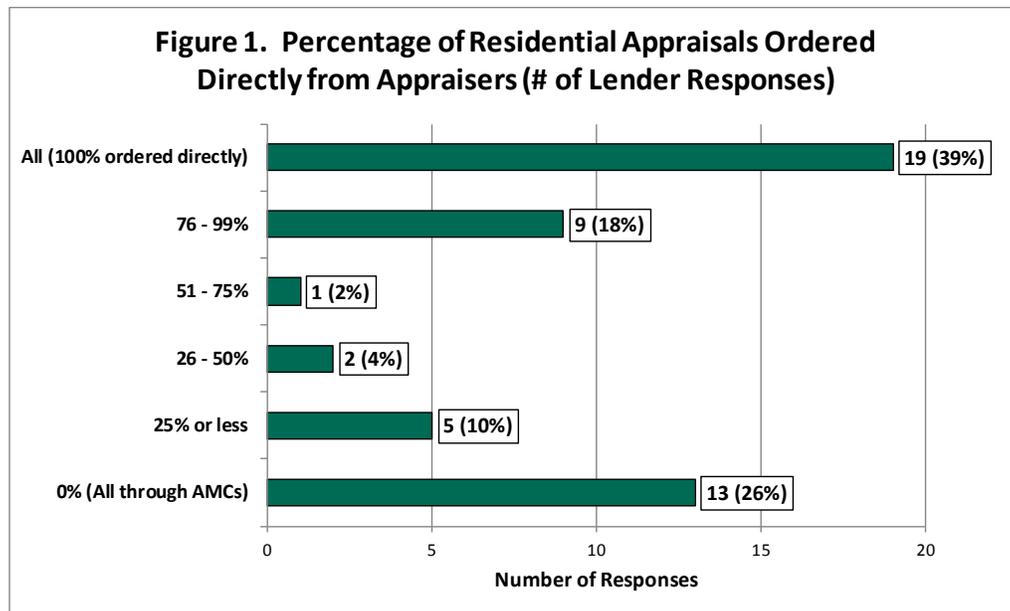
All 56 lender respondents answered the question, with seven indicating that they were not involved in ordering residential appraisals in 2016. The remaining 49 selected from pre-set responses ranging from 0% (i.e., all appraisals ordered through AMCs) to 100% (i.e., all appraisals ordered directly from licensed appraisers).

Responses are detailed in Table 1 and illustrated in Figure 1.

<u>% of Appraisals Ordered Directly from Appraisers</u>	<u>Count</u>	<u>%</u>
Not involved in ordering residential appraisals	7	--
0% (All appraisals ordered through AMCs)	13	26.5%
25% or less	5	10.2%
26 - 50%	2	4.1%
51 - 75%	1	2.0%
76 - 99%	9	18.4%
All (100% ordered from licensed appraisers)	<u>19</u>	<u>38.8%</u>
Total	49	100.0%

Slightly over one-fourth (26.5 percent) of the lender respondents indicated that they ordered all of their residential appraisals through AMCs, while approximately 39 percent ordered all residential appraisals directly from licensed appraisers.

The remaining 35 percent of respondents used a combination of AMC- and direct-ordered appraisals in varying proportions.



Position/Occupation of Respondents

Question 1 of the lender survey asked respondents to indicate their occupation or position within their company.

The most common responses from among the provided position descriptions (see Table 2) were *Mortgage loan officer* (n=11, 19.6 percent) and *President* (n=7, 12.5 percent). Fifteen respondents (26.8 percent) selected *Other* and typed in their own position title. Their text responses are shown in Table 3.

<u>Position/Occupation</u>	<u>Count</u>	<u>%</u>
Mortgage loan officer	11	19.6%
President	7	12.5%
CEO	5	8.9%
Mortgage loan dept. manager	5	8.9%
Branch manager	4	7.1%
VP	4	7.1%
Chief lending officer	3	5.4%
Staff person/asst. in mortgage loan dept.	2	3.6%
Other	<u>15</u>	<u>26.8%</u>
Total Responses	56	100.0%

Appraisal Administration Officer
Appraisal Coordinator & Audit Manager
Appraisal Department Manager
Appraisal Review Manager
Appraisal Review Officer - Assistant Vice President
Appraiser Trainee
Area Manager
Compliance Officer
Credit Admin Appraisal Specialist
Credit Officer
Jr. Appraisal Reviewer
Loan processor
Retail Banking EVP
VP - Sr. Credit Officer
(No response)

Lender Survey Response Counts by Type of Lender

As detailed in Table 4 and illustrated in Figure 2, the largest number of lender respondents to the 2016 survey were associated with *Financial institutions with offices/branches in multiple parishes of Louisiana* (n=23, 41.1 percent), followed by *Local financial institutions with office/branches in only one parish* and *Local/independent mortgage lending company*, each with eight responses (14.3 percent). These three responses accounted for approximately 70 percent of all lender respondents.

Type of Lender	# of responses	% of responses
Financial institution with offices/branches in multiple parishes in La.	23	41.1%
Local financial institution with office/branches in only one parish	8	14.3%
Local/independent mortgage lending company	8	14.3%
Branch office of a multi-state/national mortgage lending company	5	8.9%
Financial institution with offices/branches in multiple states	5	8.9%
Mortgage lending company with multiple offices in Louisiana	4	7.1%
Other	3	5.4%
Total	56	100.0%

The three *Other* responses to the type of lender question included the following details:

- Local financial institution in Washington & St. Tammany parishes
- Local financial institution with branches in only one parish and loan production offices in other parishes
- Mortgage lender with offices in multiple states.

Percentage of lender respondents ordering some/all appraisals directly from appraisers: by type of lender

Among the 49 lender respondents who answered Question #5, 36 (74 percent) ordered at least some residential appraisals directly from appraisers, while 13 (26 percent) ordered all appraisals through AMCs (Table 5).

Financial institution respondents were much more likely to order appraisals directly from appraisers, with approximately 88 percent ordering at least some appraisals directly from appraisers (versus 12 percent who ordered all appraisals through AMCs). This contrasts with mortgage lending company respondents, where 62 percent ordered all of their appraisals through AMCs and only 38 percent ordered any appraisals directly from appraisers.

Figure 2. Lender Survey Response Counts by Type of Lender (2016)

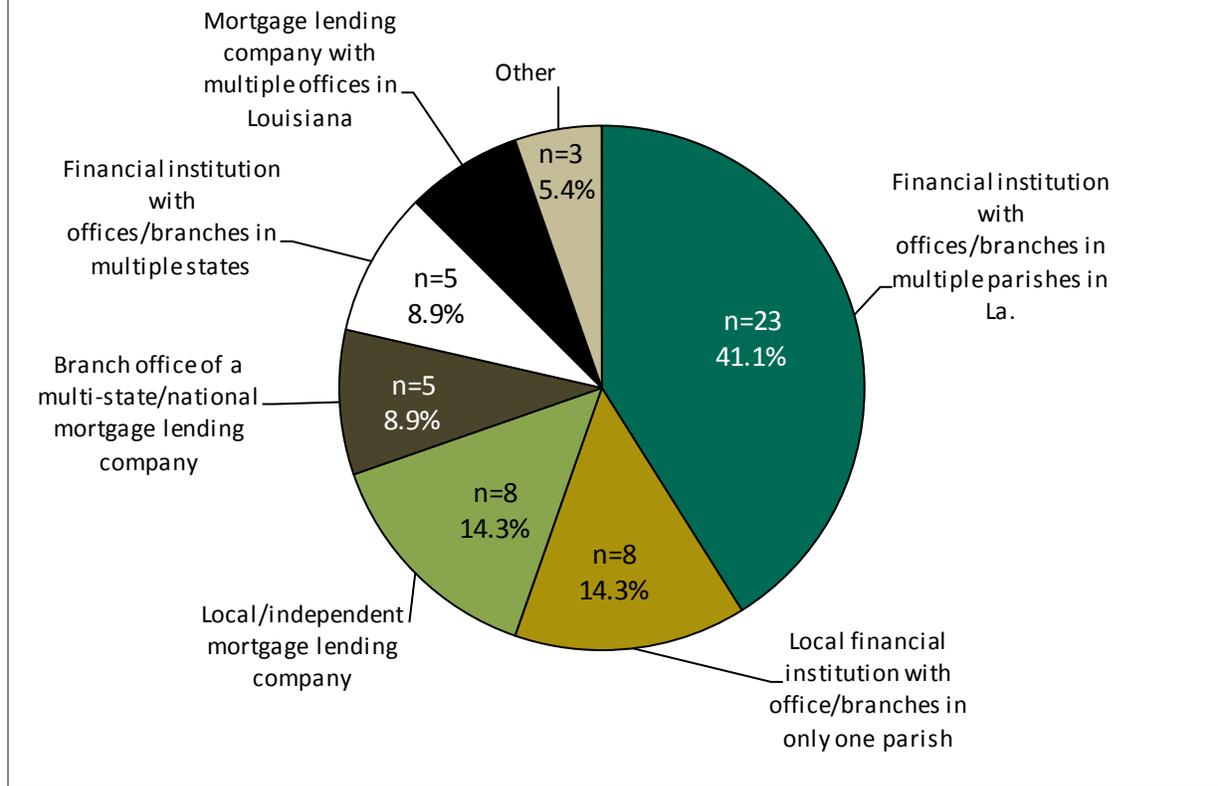


Table 5. Percentages of responding lenders ordering some/all non-AMC appraisals versus 100% AMC appraisals

	Financial Institutions	Mortgage Lending Companies	Other	All
Some/all non-AMC appraisals	87.9%	38.5%	66.7%	73.5%
100% AMC appraisals	<u>12.1%</u>	<u>61.5%</u>	<u>33.3%</u>	<u>26.5%</u>
Totals	100.0%	100.0%	100.0%	100.0%

Primary Office Location of Respondents

Respondents to the lender survey were asked to provide the zip code for the office location in which they spent the majority of their time in 2016. The zip codes were then matched to the parishes where located.

Table 6 lists the number of responses by parish.

Respondents to the lender survey were located in 27 of Louisiana's 64 parishes, and provided at least some appraisal fee data for properties in 54 parishes.

Lenders from East Baton Rouge Parish accounted for the most responses (n=10, 17.9 percent), followed by Calcasieu, Lafayette, and Orleans parishes with four responses each (7.1 percent).

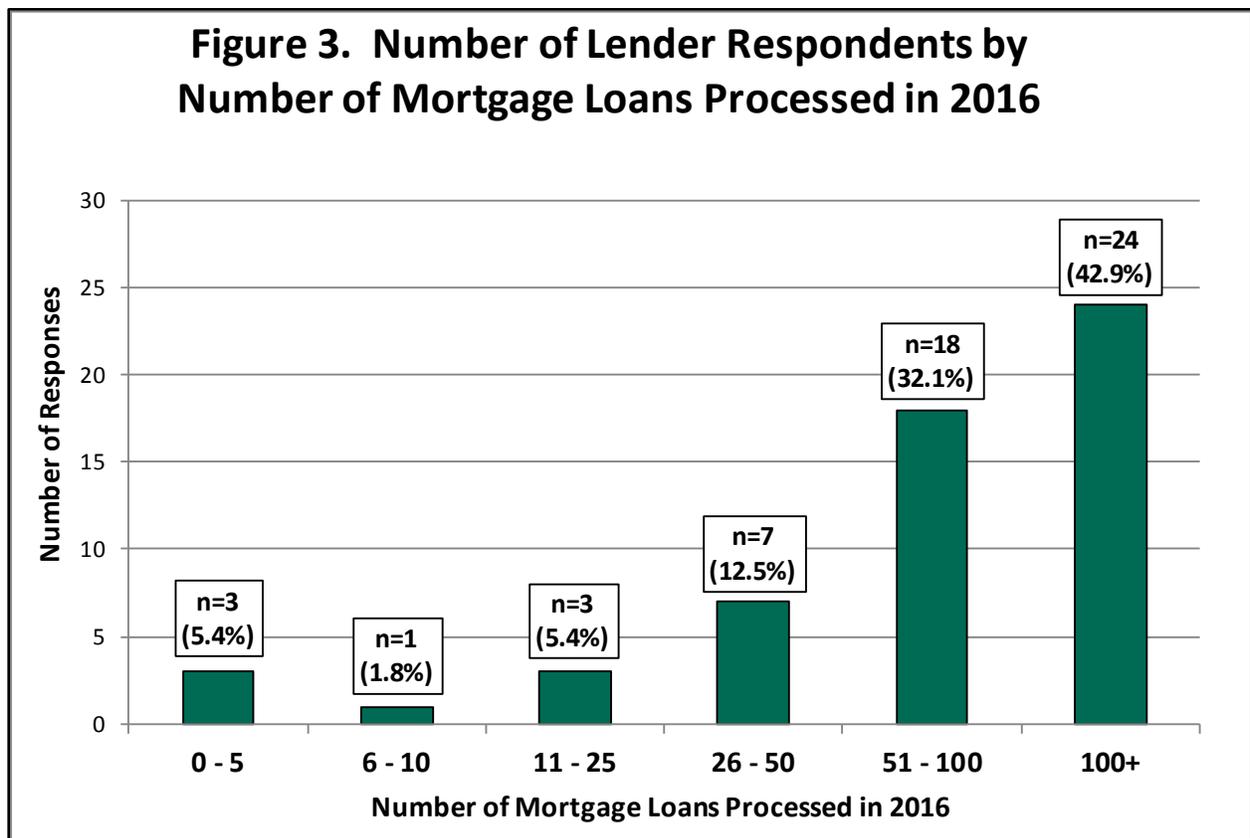
Parish	Count	%
Acadia	3	5.4%
Ascension	1	1.8%
Bienville	1	1.8%
Bossier	1	1.8%
Caddo	2	3.6%
Calcasieu	4	7.1%
East Baton Rouge	10	17.9%
East Feliciana	2	3.6%
Franklin	1	1.8%
Jefferson	1	1.8%
Jefferson Davis	1	1.8%
Lafayette	4	7.1%
Lafourche	1	1.8%
Orleans	4	7.1%
Pointe Coupee	1	1.8%
Rapides	3	5.4%
Richland	1	1.8%
Sabine	1	1.8%
St. James	1	1.8%
St. Landry	1	1.8%
St. Martin	1	1.8%
St. Mary	2	3.6%
St. Tammany	3	5.4%
Tangipahoa	1	1.8%
Terrebonne	2	3.6%
Vermilion	2	3.6%
Washington	<u>1</u>	<u>1.8%</u>
Total	56	100.0%

Number of Mortgage Loans Processed in 2016

Question 4 of the lender survey asked respondents to indicate how many mortgage loans for properties in Louisiana they were involved in processing during 2016.

As shown in Table 7 and Figure 3, most respondents indicated processing higher numbers of mortgage loans. Almost 43 percent processed over 100 mortgages and another 32 percent handled 51 – 100 in 2016. These two categories included three-fourths (75 percent) of lender respondents.

<u>Number of Loans</u>	<u>Count</u>	<u>%</u>
0 - 5	3	5.4%
6 - 10	1	1.8%
11 - 25	3	5.4%
26 - 50	7	12.5%
51 - 100	18	32.1%
100+	24	42.9%
Total	56	100.0%



Appraisers

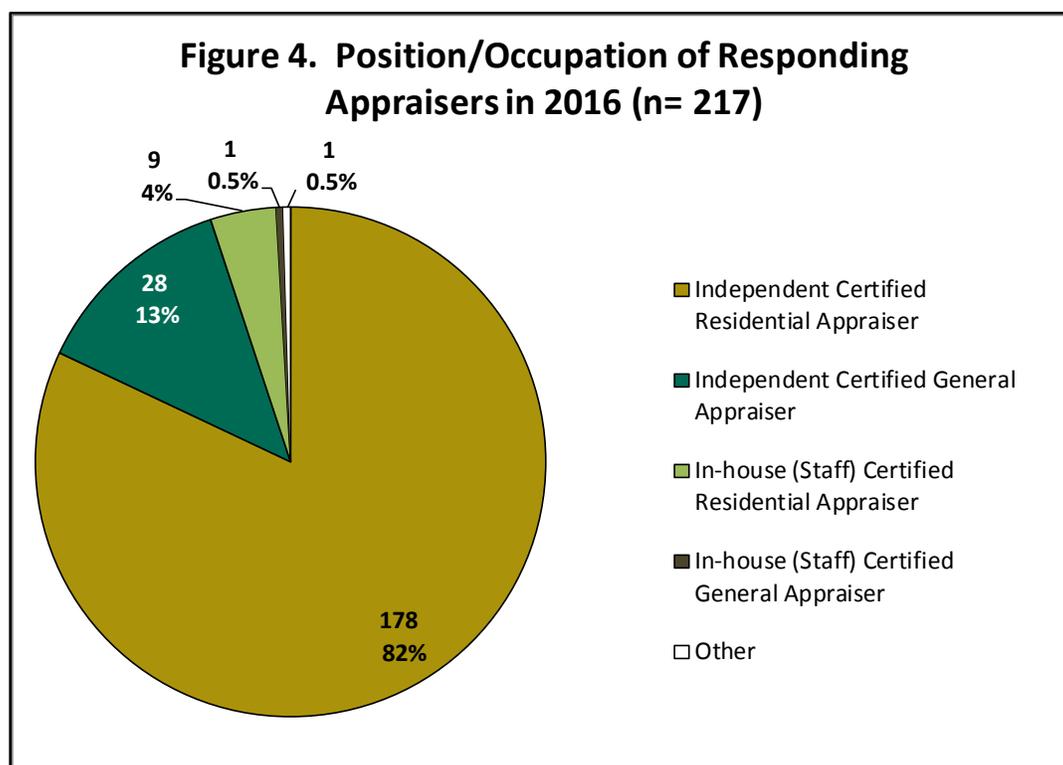
Position/Occupation During 2016

Appraisers completing the survey were asked in Question 2 to indicate their position/occupation in 2016. Responses were provided by 217 respondents.

As shown in Table 8 and Figure 4, over four-fifths (82.0 percent) of responding appraisers were *Independent Certified Residential Appraisers* in 2016. Another 12.9 percent were *Independent Certified General Appraisers*, and 4.1 percent were *In-house (Staff) Certified Residential Appraisers*.

There was one response from an *In-house (Staff) Certified General Appraiser* and one who selected *Other* and indicated that he/she was an *In-house real estate analyst and consultant for a bank*.

<u>Position/Occupation</u>	<u>Count</u>	<u>%</u>
Independent Certified Residential Appraiser	178	82.0%
Independent Certified General Appraiser	28	12.9%
In-house (Staff) Certified Residential Appraiser	9	4.1%
In-house (Staff) Certified General Appraiser	1	0.5%
Other (<i>In-house real estate analyst and consultant for a bank</i>)	1	0.5%
Total	217	100.0%



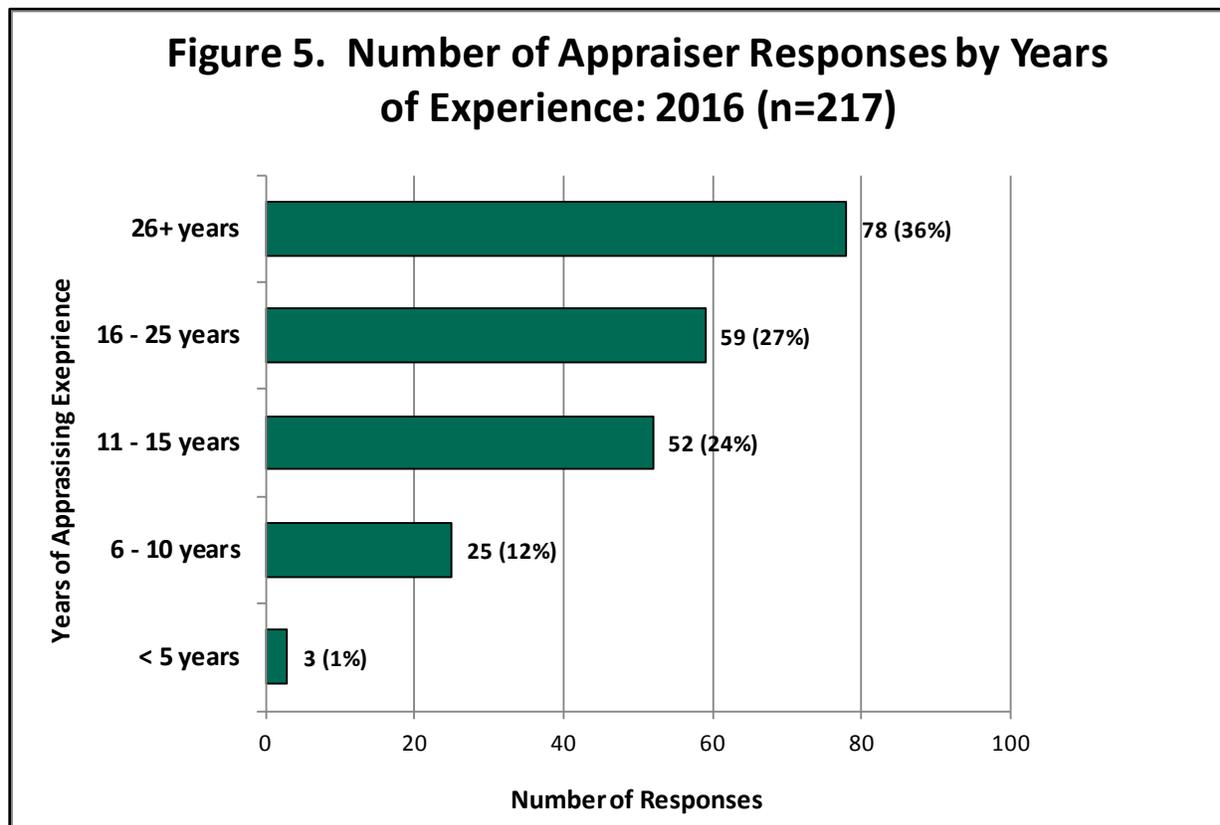
Experience Levels of Responding Appraisers

Question 3 of the appraisers' survey asked respondents how many years they had been in the appraisal business. Responses are detailed in Table 9 and Figure 5.

Over one-third of responding appraisers (n=78, 35.9 percent) indicated that they had *26+ years* of experience in the appraisal profession. This was followed by *16 – 25 years* and *11 – 15 years* with 59 (27.2 percent) and 52 (24.0 percent) responses, respectively.

There were 25 respondents (11.5 percent) with *6 – 10 years* of experience, while the *<5 years* category included only three respondents (1.4 percent).

<u>Years of Experience</u>	<u>Number of Responses</u>	<u>% of Responses</u>
< 5 years	3	1.4%
6 - 10 years	25	11.5%
11 - 15 years	52	24.0%
16 - 25 years	59	27.2%
26+ years	<u>78</u>	<u>35.9%</u>
Totals	217	100.0%



Primary Office Location of Responding Appraisers

Respondents were asked to provide the zip code of the office location where they spent the majority of their time in 2016. The zip codes were then matched to the parish where the zip code is located.

The number and percentage of responding appraisers by parish are detailed in Table 10.

Four parishes – East Baton Rouge, Caddo, Jefferson, and St. Tammany – were each the primary office locations for over 10 percent of respondents, with 12.0 percent, 11.1 percent, 10.1 percent, and 10.1 percent of all responses, respectively. Combined, these four parishes accounted for 43.3 percent of all appraiser responses.

The remaining responses were spread between 29 other parishes and six other states (Alabama (n=1), Arkansas (n=1), Florida (n=1), Mississippi (n=2), North Carolina (n=1), and Texas (n=4)), plus one respondent who did not provide a zip code.

Appraiser respondents provided at least some fee data for all of Louisiana's 64 parishes.

Volume of Residential Appraisals Conducted in 2016

Responding appraisers were asked in Question 5 to indicate how many residential appraisals they conducted for properties in Louisiana in 2016.

As shown in Table 11 and Figure 6, the two most common responses were *251 – 400* (n=66, 30.4 percent) and *101 – 250* (n=63, 29.0 percent). Combined, these two categories made up approximately 60 percent of all responses.

The third most-commonly indicated answer was *401+* appraisals (17.5 percent), followed by *0 - 25* appraisals with 12.4 percent and *51 – 100* with 8.3 percent. Only five respondents (2.3 percent) selected the *26 – 50* answer.

Percentage of Appraisals Done Directly for Clients or Lenders (non-AMC)

Question 6 of the appraiser's survey asked respondents to indicate what percentage of their 2016 residential appraisals were completed directly for clients or lenders, i.e. NOT routed through an appraisal management company.

As detailed in Table 12 and illustrated in Figure 7, 10 respondents (4.6 percent) indicated that all of their 2016 residential appraisals were conducted for AMCs. Because this survey was designed to collect information specifically on non-AMC fees, these respondents were directed to the end of the survey without being asked to provide any fee information.

The single answer with the most responses to Question #6 was the *25% or less* category (n=61, 28.0 percent), indicating that 75 percent or more of those respondents' residential appraisal business in 2016 was conducted via AMCs.

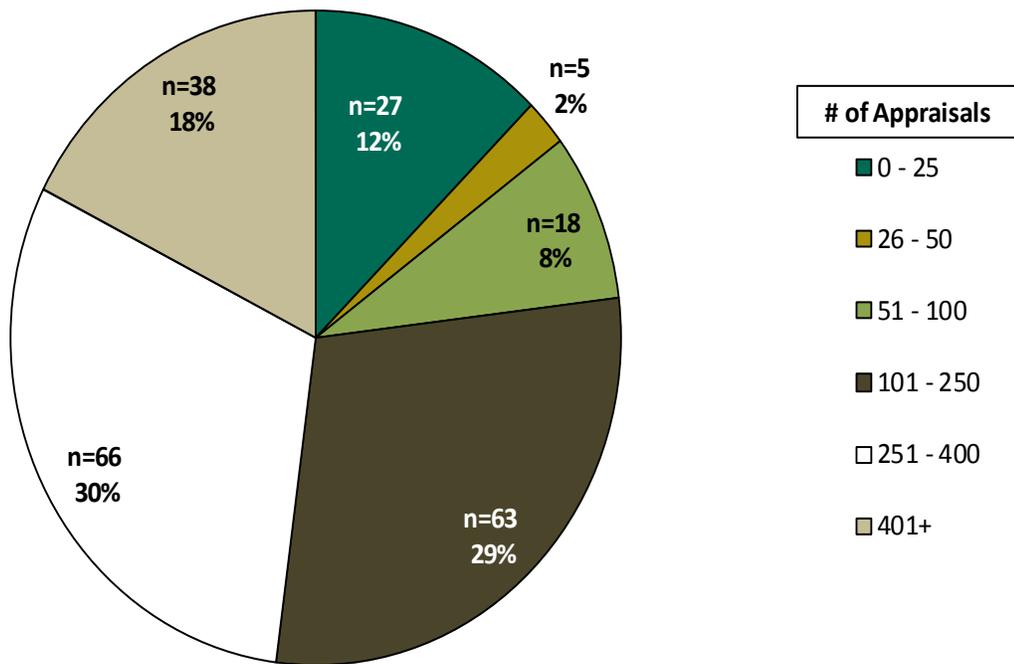
Table 10. Number and percentage of responding appraisers by parish/state of primary office: 2016.

<u>Parish/State</u>	<u>Count</u>	<u>%</u>
Acadia	1	0.5%
Ascension	4	1.8%
Avoyelles	1	0.5%
Beauregard	1	0.5%
Bossier	6	2.8%
Caddo	24	11.1%
Calcasieu	14	6.5%
Caldwell	1	0.5%
Concordia	1	0.5%
East Baton Rouge	26	12.0%
Franklin	3	1.4%
Iberia	4	1.8%
Jefferson	22	10.1%
Jefferson Davis	1	0.5%
Lafayette	15	6.9%
Lafourche	1	0.5%
Lincoln	4	1.8%
Livingston	4	1.8%
Natchitoches	2	0.9%
Orleans	11	5.1%
Ouachita	8	3.7%
Rapides	6	2.8%
Richland	2	0.9%
St. James	1	0.5%
St. Landry	3	1.4%
St. Martin	1	0.5%
St. Tammany	22	10.1%
St. John the Baptist	2	0.9%
Tangipahoa	5	2.3%
Terrebonne	5	2.3%
Union	1	0.5%
Webster	4	1.8%
West Carroll	1	0.5%
Alabama	1	0.5%
Arkansas	1	0.5%
Florida	1	0.5%
Mississippi	2	0.9%
North Carolina	1	0.5%
Texas	4	1.8%
Total	217	100.0%

Table 11. Number of Louisiana residential appraisals conducted by appraiser respondents in 2016.

Number of Appraisals	Responses	%
0 - 25	27	12.4%
26 - 50	5	2.3%
51 - 100	18	8.3%
101 - 250	63	29.0%
251 - 400	66	30.4%
401+	<u>38</u>	<u>17.5%</u>
Totals	217	100.0%

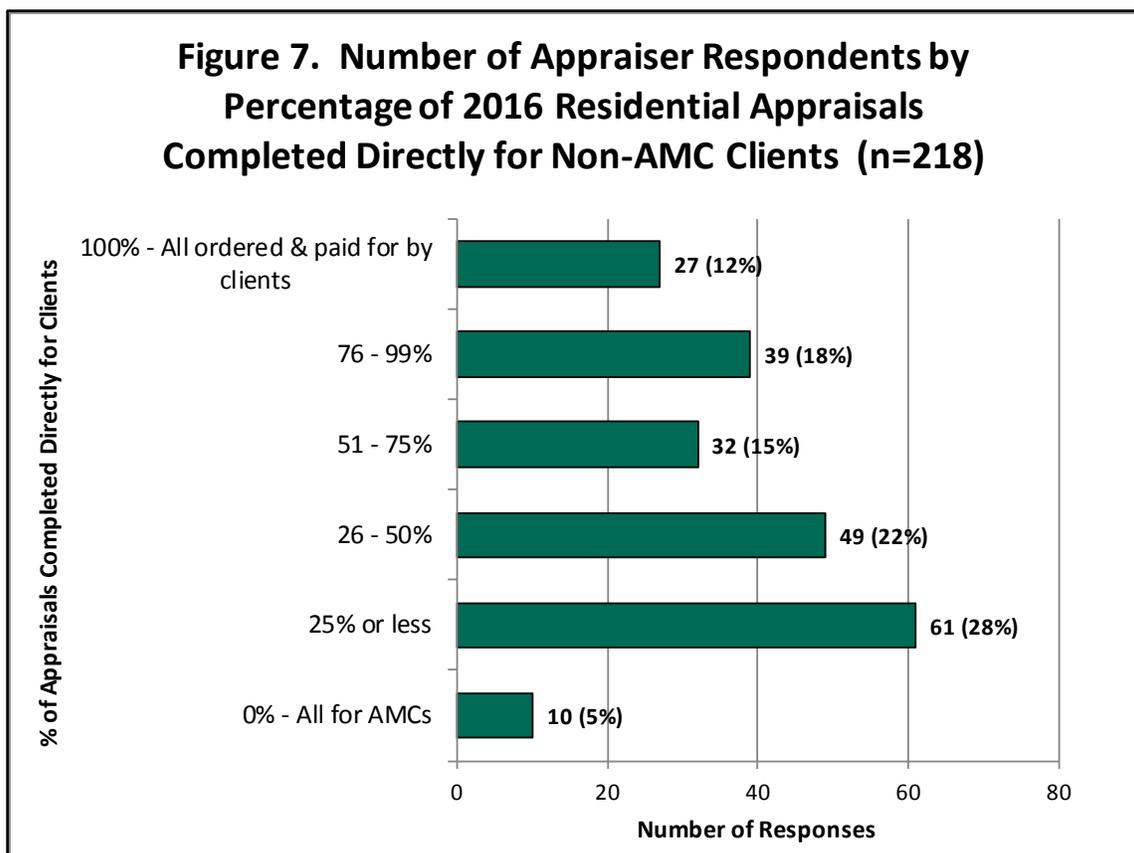
Figure 6. Number of Appraisal Respondents by Number of LA Residential Appraisals Conducted in 2016 (n=217)



Combining the *25% or less* and the *26 – 50%* (n=49, 22.5 percent) categories, approximately 50 percent of responding appraisers indicated that over half (but not all) of their 2016 residential appraisals were conducted for AMCs.

Summing the three remaining response categories, approximately 45 percent of respondents indicated that over half of their residential appraisals in 2016 were conducted directly for clients or lenders, including 12.4 percent who indicated that all of their 2016 residential appraisals were done directly for clients/lenders.

<u>Percentage of non-AMC Appraisals</u>	<u>Count</u>	<u>%</u>
0% - All for AMCs	10	4.6%
25% or less	61	28.0%
26 - 50%	49	22.5%
51 - 75%	32	14.7%
76 - 99%	39	17.9%
100% - All ordered & paid for by clients	<u>27</u>	<u>12.4%</u>
Totals	218	100.0%



APPRAISAL FEE DATA

Appraisal fee information for calendar year 2016 was collected from mortgage lenders and licensed appraisers for properties in all 64 parishes in Louisiana for five types of residential appraisals:

- Form 1004 (Full appraisal)
- Form 1004 FHA (Full appraisal for FHA)
- Form 1025 (Small (1-4 units) residential income property appraisal)
- Form 1073 (Individual condominium unit appraisal)
- Form 2055 (Exterior-only inspection appraisal).

Note that fee data may not have been provided for all appraisal types in each parish.

The survey collected separate fees for each appraisal type depending on whether the property was located in an urban, suburban, or rural location.

Appraisal fees that were obviously beyond reason (whether low or high) were removed before analysis began. In order to reduce skewing of the means and standard deviations by outlying data points, Chauvenet's criterion was used on remaining fee data to remove outliers (low or high) before statistics were calculated.

The median fee, the number of respondents who provided fee data, the number of raw observations provided by respondents, the number of observations removed using Chauvenet's criterion, and the number of "cleaned" observations (n) included in calculating the median are reported for all data cells. Each respondent could potentially provide 192 fee data responses (64 parishes x 3 location types = 192) for each appraisal type (5), so the number of responses can be much greater than the number of respondents who provided the fee data.

Detailed descriptive statistics, including mean, mode, minimum, maximum, and standard deviation are included in the tables in Appendix 1.

2016 Median Appraisal Fees by Type of Appraisal (Statewide)

Median fees from the survey responses for each of the appraisal types (after removal of outliers), across all parishes and all three location types (urban, suburban, rural), are detailed in Table 13.

Form 1025 appraisals had the highest median response statewide across all location types (\$595), followed by 1004 FHA and Form 1073 which had medians of \$475. The median Form 1004 fee was \$25 lower at \$450. Form 2055 appraisals had the lowest median fee at \$350.

As discussed above, the number of observations for each appraisal type is much higher than the number of individuals responding to the surveys because many respondents provided data for multiple parishes and location types.

	Form 1004	Form 1004 FHA	Form 1025	Form 1073	Form 2055
# of respondents	214	179	141	132	156
Raw # of observations	2,463	1,977	1,226	1,105	1,597
# of low outliers removed	(2)	-	-	-	-
# of high outliers removed	(22)	(31)	(11)	(13)	(15)
# of cleaned observations	2,439	1,946	1,215	1,092	1,582
Median cleaned fee	\$450	\$475	\$595	\$475	\$350

Table 14 separates the statewide statistics for each appraisal type by the location type of the subject property: urban, suburban, or rural.

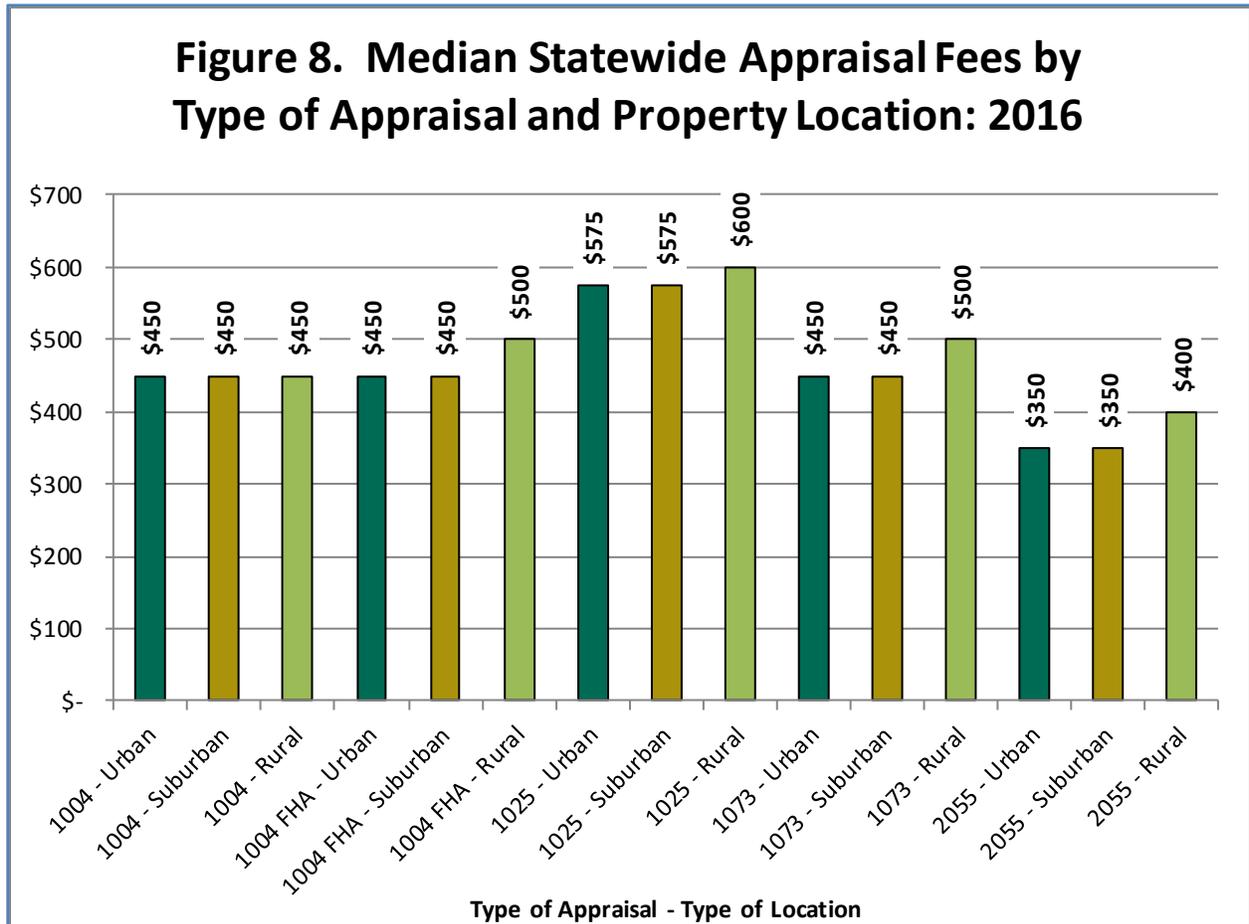
	Form 1004			Form 1004 FHA			Form 1025		
	<u>Urban</u>	<u>Suburb.</u>	<u>Rural</u>	<u>Urban</u>	<u>Suburb.</u>	<u>Rural</u>	<u>Urban</u>	<u>Suburb.</u>	<u>Rural</u>
# of respondents	182	209	184	153	173	154	121	136	100
Raw # of obs.	719	907	837	590	727	660	385	481	360
# of low outliers	(1)	(1)	-	-	-	-	-	-	-
# of high outliers	(6)	(10)	(11)	(11)	(14)	(6)	(7)	(7)	(7)
# of cleaned obs.	712	896	827	579	713	654	378	474	353
Median	\$450	\$450	\$450	\$450	\$450	\$500	\$575	\$575	\$600
	Form 1073			Form 2055					
	<u>Urban</u>	<u>Suburb.</u>	<u>Rural</u>	<u>Urban</u>	<u>Suburb.</u>	<u>Rural</u>			
# of respondents	115	128	83	130	154	125			
Raw # of obs.	369	435	301	469	609	519			
# of low outliers	-	-	-	-	-	-			
# of high outliers	(5)	(9)	(8)	(5)	(8)	(8)			
# of cleaned obs.	364	426	293	464	601	511			
Median	\$450	\$450	\$500	\$350	\$350	\$400			

Median appraisal fees for all three location types – urban, suburban, and rural – were equal at \$450 for appraisal type Form 1004.

Medians also equaled \$450 for urban and suburban properties for appraisal types Form 1004 FHA and Form 1073. The medians for Form 1004 FHA and Form 1073 appraisals of rural properties were \$50 higher at \$500.

Form 1025 appraisals had the highest median fees at \$575 for urban and suburban properties and \$600 for rural properties, while Form 2055 appraisals had the lowest median fees at \$350 for urban and suburban properties and \$400 for those in rural locations.

Figure 8 graphically illustrates the statewide medians by appraisal and location type detailed in Table 14.

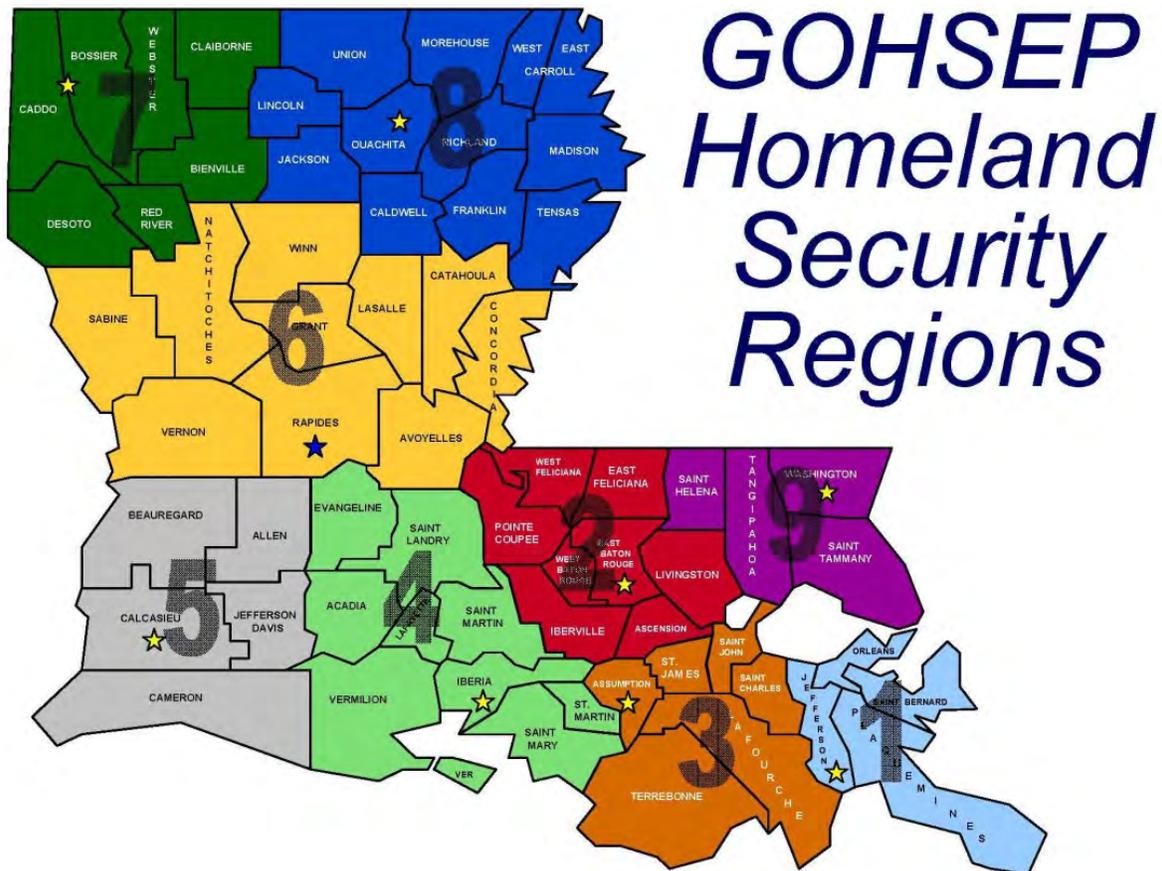


2016 Median Appraisal Fees by Region

In order to compare median appraisal fees for different regions of the state (as called for in the Federal guidelines), a map of Louisiana used by the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) was utilized to divide the state into nine regions (Figure 9). A table listing the parishes included in each region is attached as Appendix 4.

The survey collected appraisal fee information for all 64 parishes individually. Responses were then grouped into the appropriate regions based on the GOHSEP map.

Figure 9. GOHSEP regional map used to group the 64 parishes into nine regions.



Form 1004 Appraisal Fees by Region

Tables 15, 16, and 17 detail the median Form 1004 fees for urban, suburban, and rural properties, respectively, in all nine regions. Complete descriptive statistics are provided in Appendix 1.

Median Form 1004 fees for urban, suburban, and rural properties did not differ in regions 6 and 8 – with all equaling \$450.

Median Form 1004 fees in regions 1, 7, and 9 displayed identical patterns - \$450 for urban and suburban properties and \$475 for properties in rural areas.

Regions 2 and 3 also had equal urban and suburban medians of \$450, with higher rural medians of \$488 and \$500, respectively.

Regions 4 and 5 had unique patterns of median fees. Region 4 had differing medians for all three location types, with urban, suburban, and rural medians of \$425, \$438, and \$450, respectively. Region 5 medians were \$400 for urban properties and the \$450 for suburban and rural properties.

Figure 10 illustrates graphically the median fees for Form 1004 appraisals by property type in all nine regions

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	40	36	27	33	27	17	37	19	33
Raw obs.	93	127	56	84	45	71	102	82	59
Low outliers	0	0	0	0	(1)	0	0	(1)	0
High outliers	(1)	(5)	0	(2)	0	(2)	(4)	0	(2)
Cleaned obs.	92	122	56	82	44	69	98	81	57
Median Fee	\$450	\$450	\$450	\$425	\$400	\$450	\$450	\$450	\$450

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	47	46	40	36	26	23	40	24	43
Raw obs.	117	158	78	107	53	81	123	114	76
Low outliers	0	0	0	0	(1)	0	0	0	0
High outliers	(1)	(5)	0	(3)	0	(2)	(3)	(1)	(2)
Cleaned obs.	116	153	78	104	52	79	120	113	74
Median Fee	\$450	\$450	\$450	\$438	\$450	\$450	\$450	\$450	\$450

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	27	43	28	31	26	25	39	24	39
Raw obs.	67	154	59	95	57	86	129	117	73
Low outliers	0	0	0	0	(1)	0	0	0	0
High outliers	(2)	(4)	0	(3)	(1)	(2)	(2)	0	0
Cleaned obs.	65	150	59	92	55	84	127	117	73
Median Fee	\$475	\$488	\$500	\$450	\$450	\$450	\$475	\$450	\$475

Form 1004 FHA Appraisal Fees by Region

Tables 18-20 detail the median Form 1004 FHA fees reported by respondents for urban, suburban, and rural properties in the nine regions. Complete descriptive statistics are provided in Appendix 1.

Median 1004 FHA appraisal fees for all three location types were equal at \$450 in regions 4, 6, and 8 and \$500 in Region 2.

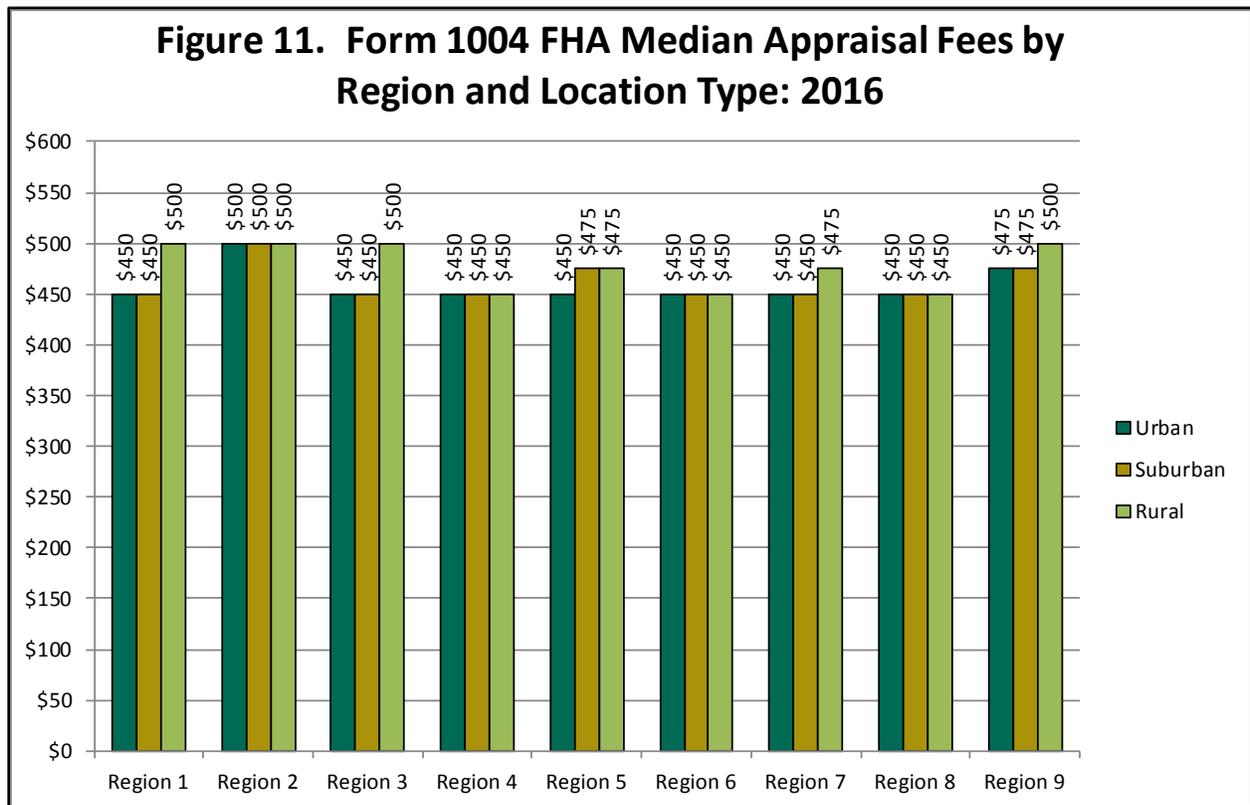
Regions 1 and 3 both had equal urban and suburban medians of \$450 with rural medians of \$500. Regions 7 and 9 had the same pattern of equal urban and suburban median fees with higher rural medians, but the amounts differed.

Table 19. Median Form 1004 FHA appraisal fees for SUBURBAN properties by region: 2016.

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	40	39	36	24	21	14	29	16	34
Raw obs.	106	154	74	74	46	59	80	74	60
Low outliers	0	0	0	0	0	0	0	(1)	0
High outliers	(1)	(4)	0	(4)	0	(1)	(1)	0	(2)
Cleaned obs.	105	150	74	70	46	58	79	73	58
Median Fee	\$450	\$500	\$450	\$450	\$475	\$450	\$450	\$450	\$475

Table 20. Median Form 1004 FHA appraisal fees for RURAL properties by region: 2016.

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	24	38	24	22	21	16	29	17	32
Raw obs.	57	147	55	68	49	63	83	78	60
Low outliers	0	0	0	0	0	0	0	0	0
High outliers	(3)	(4)	(2)	(4)	(1)	(1)	0	(1)	(2)
Cleaned obs.	54	143	53	64	48	62	83	77	58
Median Fee	\$500	\$500	\$500	\$450	\$475	\$450	\$475	\$450	\$500



As shown in Table 21, median fees for Form 1004 FHA appraisals ranged from the same to \$50 higher compared to Form 1004 appraisals.

For urban properties, the median fees for Form 1004 and Form 1004 FHA appraisals were the same in regions 1, 3, 6, 7, and 8, while Form 1004 FHA median fees were \$25 higher in regions 4 and 9 and \$50 higher in regions 2 and 5.

For suburban properties, Form 1004 FHA median fees were again the same as Form 1004 median fees in regions 1, 3, 6, 7, and 8, \$12 higher in region 4, \$25 higher in regions 5 and 9, and \$50 higher in region 2.

For rural properties, median fees for 1004 FHA appraisals were \$25 higher than Form 1004 appraisals in regions 1, 5, and 9, \$12 higher in Region 2, and equal in regions 3, 4, 6, 7, and 8.

(Note that form 1004 and Form 1004 FHA medians did not differ for any location type in regions 3, 6, 7, and 8.)

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
1004 FHA Urban	\$450	\$500	\$450	\$450	\$450	\$450	\$450	\$450	\$475
1004 Urban	<u>\$450</u>	<u>\$450</u>	<u>\$450</u>	<u>\$425</u>	<u>\$400</u>	<u>\$450</u>	<u>\$450</u>	<u>\$450</u>	<u>\$450</u>
Difference	\$0	\$50	\$0	\$25	\$50	\$0	\$0	\$0	\$25
1004 FHA Suburban	\$450	\$500	\$450	\$450	\$475	\$450	\$450	\$450	\$475
1004 Suburban	<u>\$450</u>	<u>\$450</u>	<u>\$450</u>	<u>\$438</u>	<u>\$450</u>	<u>\$450</u>	<u>\$450</u>	<u>\$450</u>	<u>\$450</u>
Difference	\$0	\$50	\$0	\$12	\$25	\$0	\$0	\$0	\$25
1004 FHA Rural	\$500	\$500	\$500	\$450	\$475	\$450	\$475	\$450	\$500
1004 Rural	<u>\$475</u>	<u>\$488</u>	<u>\$500</u>	<u>\$450</u>	<u>\$450</u>	<u>\$450</u>	<u>\$475</u>	<u>\$450</u>	<u>\$475</u>
Difference	\$25	\$12	\$0	\$0	\$25	\$0	\$0	\$0	\$25

Form 1025 Appraisal Fees by Region

Form 1025 appraisals – for small (1-4 units) residential income properties – had the highest median fees of the five appraisal types in the 2016 survey for all regions/property locations for which there were sufficient responses to report.

Form 1025 median fees ranged from \$550 to \$650, depending on region and location type.

Median Form 1025 fees by region for urban, suburban, and rural properties are shown in Tables 22, 23, and 24, respectively, and compared graphically in Figure 12. Complete descriptive statistics are provided in Appendix 1.

Following Department of Justice-Federal Trade Commission (DOJ-FTC) safe harbor guidelines for salary surveys, which require that “there are at least five providers reporting data upon which each

disseminated statistic is based, (and) no individual provider's data represents more than 25 percent on a weighted basis of that statistic...”, Form 1025 fee statistics are not reported for region 6.

One respondent in region 6 provided more than 25 percent of the fee data for each of the three location types, so fee statistics for Form 1025 fees in region 6 are suppressed in Tables 22-24, Figure 12, and in Appendix 1.

Median Form 1025 fees for urban, suburban, and rural properties were all equal in region 5 at \$600.

Urban and suburban Form 1025 median fees were equal in region 1 (\$550), region 2 (\$600), and region 3 (\$550), while rural median fees were \$25 - \$50 higher.

In region 4 the median Form 1025 fee for urban properties was \$575, while the median fees for suburban and rural properties were equal at \$600.

In region 8 the suburban median fee was highest at \$600, while the urban and rural medians were equal and lower at \$550. In region 9 the pattern was reversed, with the suburban fee lowest at \$575 and the urban and rural fees equal and higher at \$600.

In region 7 the Form 1025 medians all differed by location type, with an urban median fee of \$575, the median suburban fee somewhat lower at \$550, and the median rural fee somewhat higher at \$600.

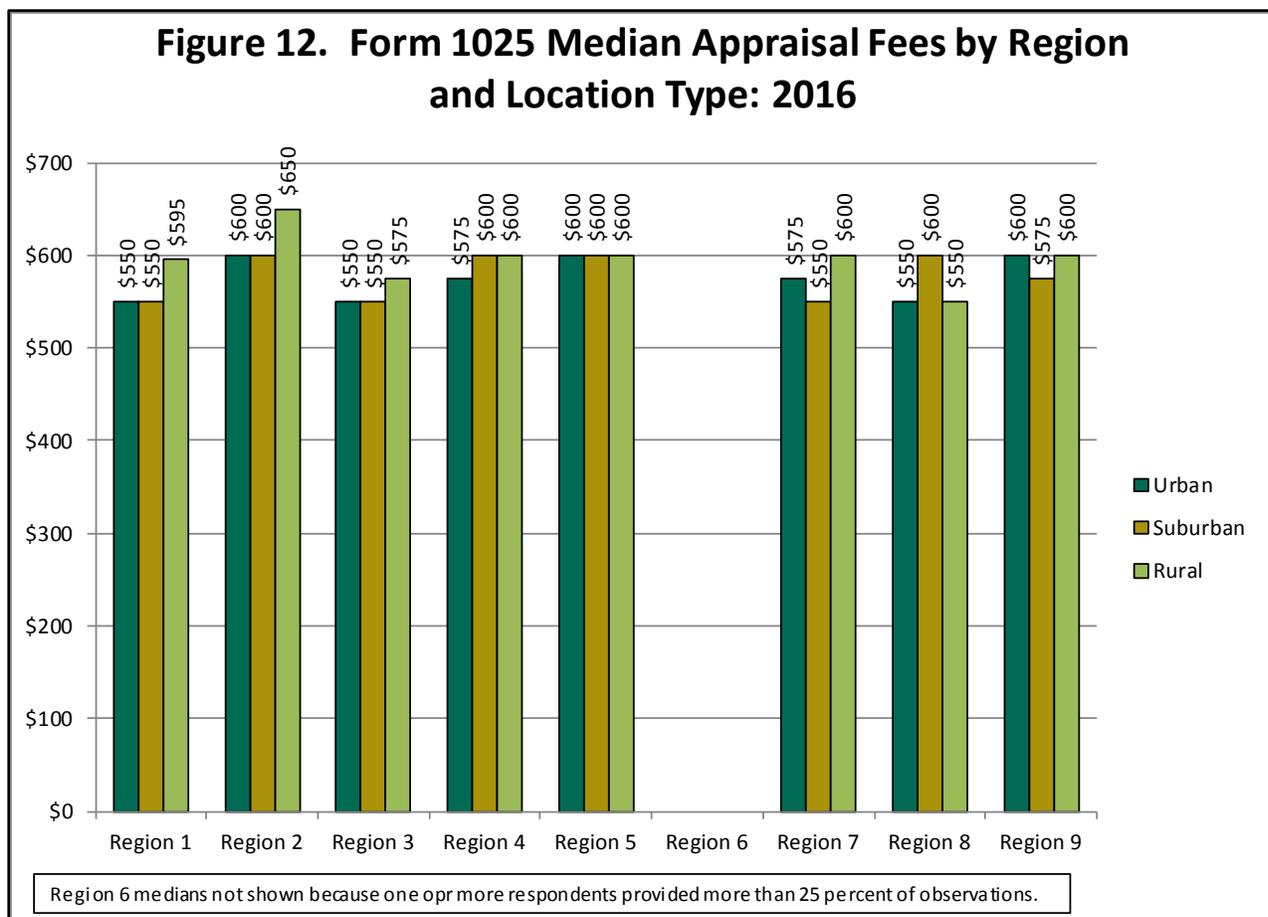
	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	35	24	17	13	11	6	23	9	22
Raw obs.	81	94	35	31	15	17	50	27	35
Low outliers	0	0	0	0	0	0	0	0	0
High outliers	<u>0</u>	<u>(4)</u>	<u>(1)</u>	<u>(1)</u>	<u>0</u>	<u>(1)</u>	<u>(2)</u>	<u>0</u>	<u>(2)</u>
Cleaned obs.	81	90	34	30	15	16	48	27	33
Median Fee	\$550	\$600	\$550	\$575	\$600	X	\$575	\$550	\$600
X = fee statistics not shown because one (or more) respondents provided > 25% of fee data reported									

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	42	30	26	17	11	7	22	12	31
Raw obs.	103	102	50	47	17	19	57	38	48
Low outliers	0	0	0	0	0	0	0	0	0
High outliers	<u>(3)</u>	<u>(4)</u>	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>0</u>	<u>(2)</u>	<u>0</u>	<u>(2)</u>
Cleaned obs.	100	98	49	46	16	19	55	38	46
Median Fee	\$550	\$600	\$550	\$600	\$600	X	\$550	\$600	\$575
X = fee statistics not shown because one (or more) respondents provided > 25% of fee data reported									

Table 24. Median Form 1025 appraisal fees for RURAL properties by region: 2016.

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	18	25	13	15	11	7	19	9	24
Raw obs.	45	95	29	39	17	19	50	28	38
Low outliers	0	0	0	0	0	0	0	0	0
High outliers	0	(4)	0	(1)	(1)	0	(1)	0	(2)
Cleaned obs.	45	91	29	38	16	19	49	28	36
Median Fee	\$595	\$650	\$575	\$600	\$600	X	\$600	\$550	\$600

X = fee statistics not shown because one (or more) respondents provided > 25% of fee data reported



Form 1073 Appraisal Fees by Region

Form 1073 appraisals – for individual condominium units - had median fees ranging from \$400 to \$500 for the regions/property locations for which there were sufficient responses to report (Tables 25-27). Complete descriptive statistics are provided in Appendix 1.

Due to limited responses, no Form 1073 fees were able to be reported for regions 6 and 8, and rural fees could not be disclosed for regions 3 and 5.

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	35	27	17	14	8	7	21	6	23
Raw obs.	73	97	38	41	8	18	44	12	38
Low outliers	0	0	0	0	0	0	0	0	0
High outliers	(4)	(4)	(1)	(3)	(1)	(1)	0	(1)	(2)
Cleaned obs.	69	93	37	38	7	17	44	11	36
Median Fee	\$450	\$500	\$450	\$450	\$400	X	\$463	X	\$475

X = fee statistics not shown because one (or more) respondents provided > 25% of fee data reported

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	40	34	23	17	6	7	20	6	31
Raw obs.	90	107	51	52	7	18	46	15	49
Low outliers	0	0	0	0	0	0	0	0	0
High outliers	(4)	(4)	(1)	(3)	0	(1)	(1)	0	(2)
Cleaned obs.	86	103	50	49	7	17	45	15	47
Median Fee	\$450	\$475	\$450	\$450	\$475	X	\$475	X	\$475

X = fee statistics not shown because one (or more) respondents provided > 25% of fee data reported

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	15	26	9	14	5	7	15	4	22
Raw obs.	33	92	24	48	6	18	33	10	37
Low outliers	0	0	0	0	0	0	0	0	0
High outliers	(1)	(4)	(1)	0	0	(1)	0	0	(2)
Cleaned obs.	32	88	23	48	6	17	33	10	35
Median Fee	\$475	\$500	X	\$500	X	X	\$500	X	\$475

X = fee statistics not shown because one (or more) respondents provided > 25% of fee data reported

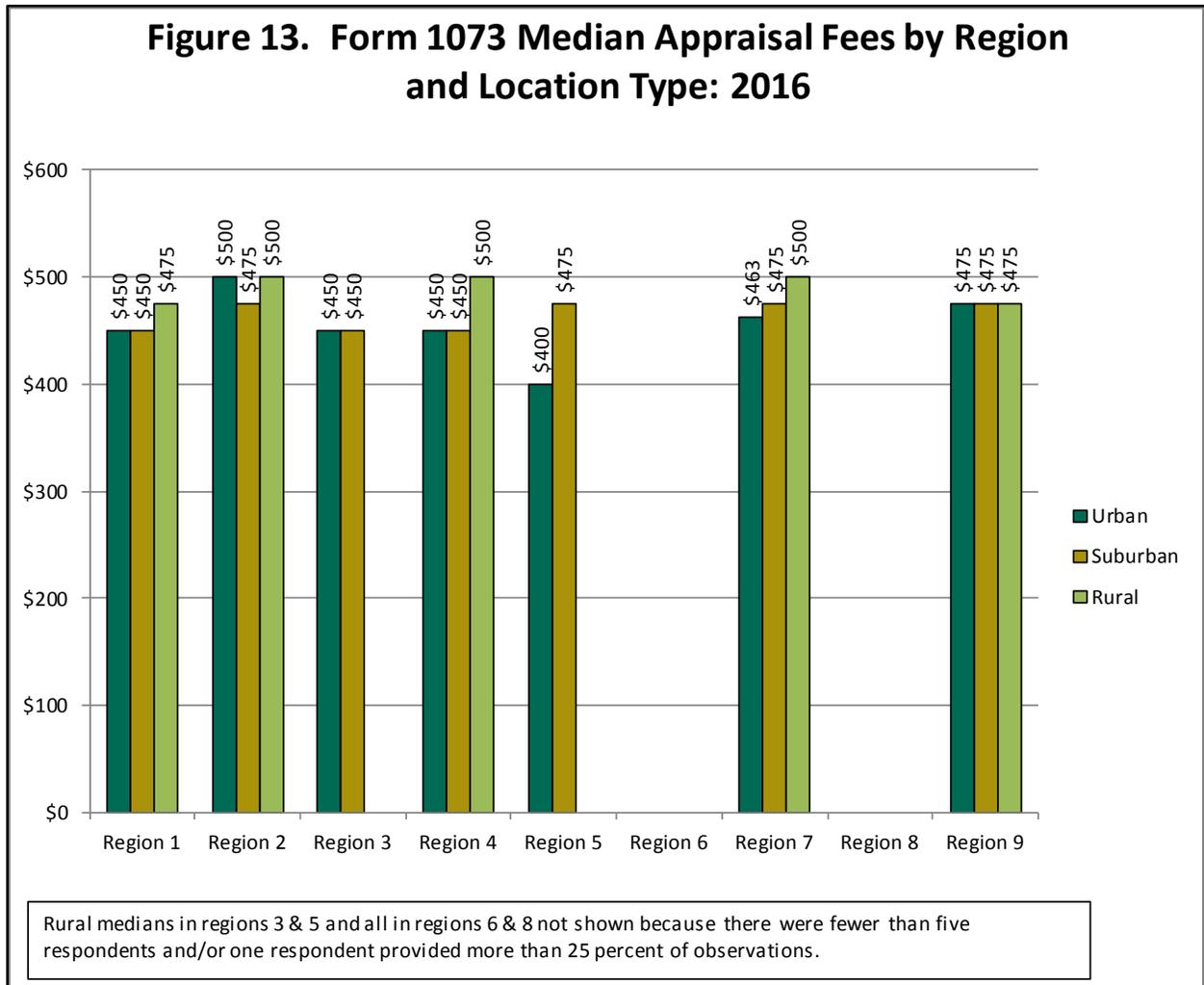
As illustrated in Figure 13, median Form 1073 fees were equal for all location types in region 9 (\$475).

Urban and suburban fees were equal at \$450 in regions 1, 3, and 4, with rural fees somewhat higher at \$475 in region 1 and \$500 in region 4. The rural median fee is not shown for region 3 due to limited responses.

Urban and rural median fees were equal in region 2 at \$500, with the suburban median fee somewhat lower at \$475.

Median Form 1073 fees differed for all location types in region 7, with urban properties lowest at \$463, suburban locations slightly higher at \$475, and the median rural fee the highest at \$500.

Region 5 fees displayed the largest spread (\$75) between median urban (\$400) and suburban (\$475) fees. The median rural fee was not able to be published due to lack of responses.



Form 2055 Appraisal Fees by Region

Form 2055 appraisals – exterior-only inspection appraisals – had the lowest median fees of all appraisal types in the survey, ranging from \$350 to \$400 depending on region and location of property (Tables 28-30). Complete descriptive statistics are provided in Appendix 1.

As illustrated in Figure 14, Form 2055 median fees for urban and suburban properties both equaled \$350 in eight of the nine regions. In region 8 the median urban fee was \$25 higher than the suburban median at \$375.

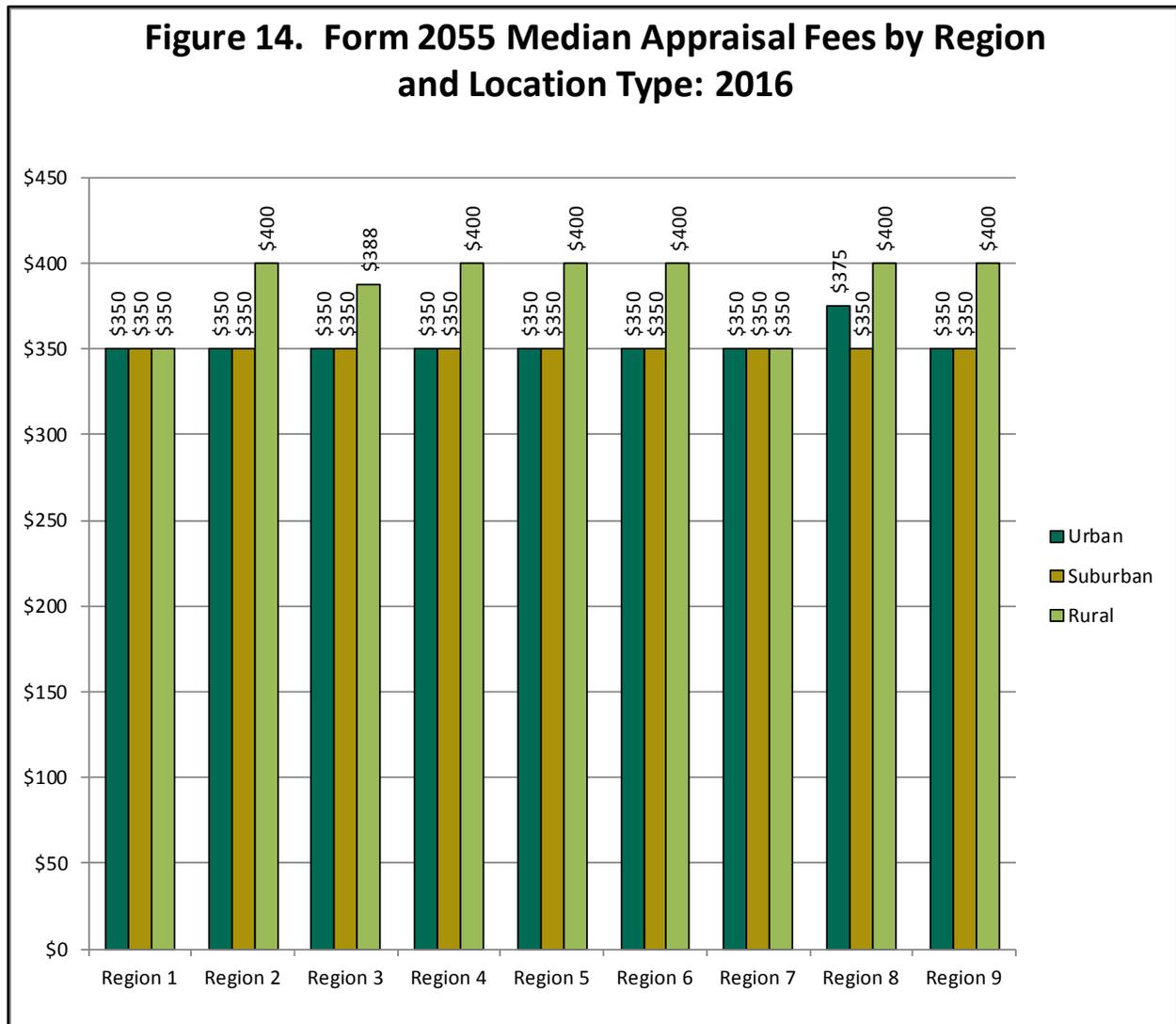
The Form 2055 median fee for rural properties equaled the \$350 urban/suburban median in regions 1 and 7, but was higher than for urban/suburban properties in the other seven regions.

The 2016 median Form 2055 fee for rural properties was \$388 in region 3, and \$400 in regions 2, 4, 5, 6, 8, and 9.

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	28	26	18	18	18	10	27	8	23
Raw obs.	67	102	43	53	35	28	68	34	39
Low outliers	(1)	0	0	0	(2)	0	0	0	0
High outliers	0	(3)	0	(3)	0	0	0	0	0
Cleaned obs.	66	99	43	50	33	28	68	34	39
Median Fee	\$350	\$375	\$350						

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	36	34	28	21	19	7	28	13	33
Raw obs.	90	124	62	69	41	33	80	55	55
Low outliers	(1)	0	0	0	(2)	0	0	0	(1)
High outliers	0	(3)	0	(3)	0	0	0	0	0
Cleaned obs.	89	121	62	66	39	33	80	55	54
Median Fee	\$350								

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9
Respondents	14	31	14	19	17	14	27	14	25
Raw obs.	35	120	34	65	40	37	84	58	46
Low outliers	0	0	0	0	0	0	0	0	0
High outliers	0	(3)	0	(3)	0	0	(2)	0	0
Cleaned obs.	35	117	34	62	40	37	82	58	46
Median Fee	\$350	\$400	\$388	\$400	\$400	\$400	\$350	\$400	\$400

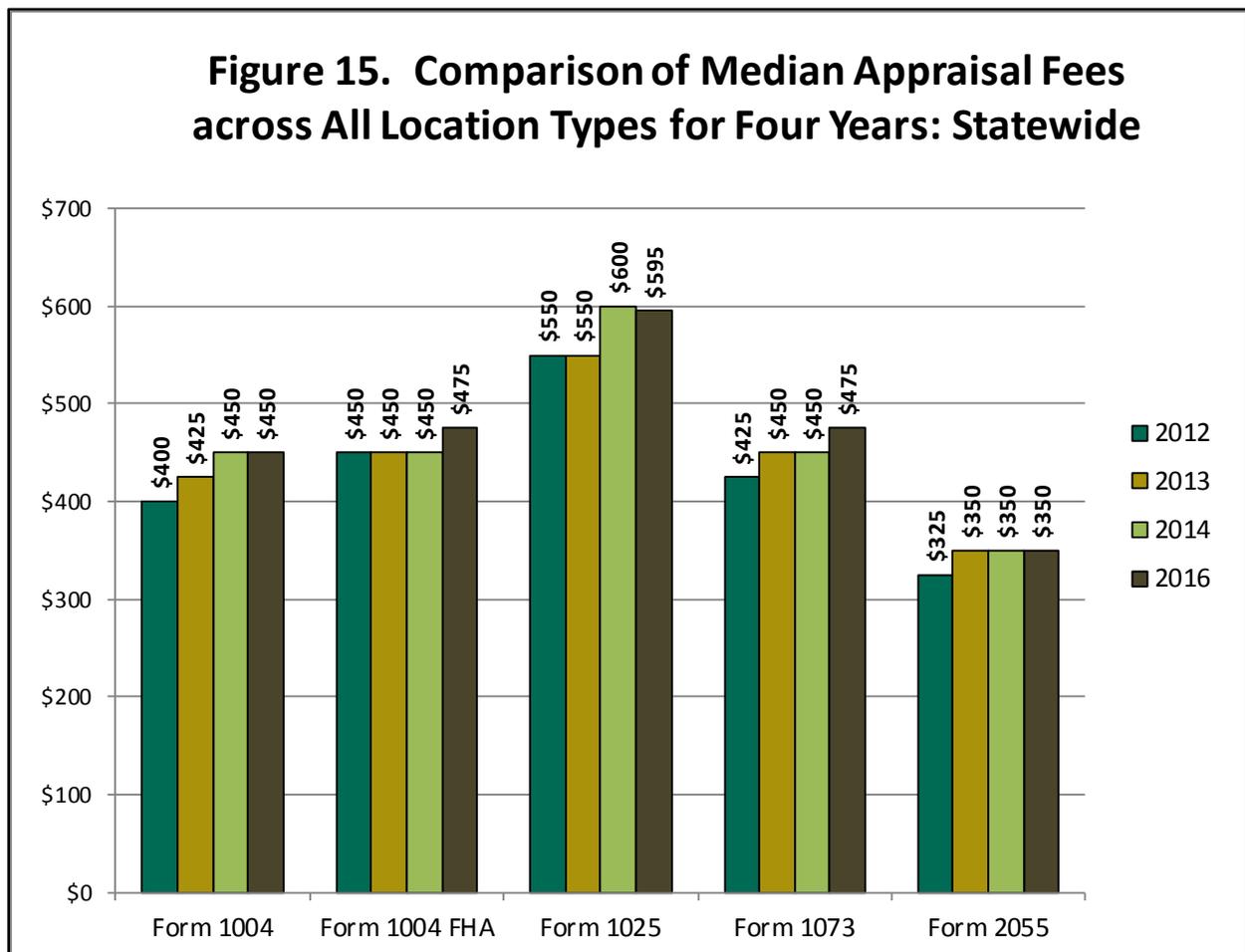


COMPARISON OF MEDIAN APPRAISAL FEES ACROSS YEARS

The 2016 LREAB Appraisal Fee Survey marks the fourth year that LREAB has collected appraisal fee data for the state of Louisiana, following similar studies for 2012, 2013, and 2014.

In order to provide insight into trends in appraisal fees in the state, Figures 15 – 24 compare median fees for the five appraisal types combined across location types (urban, suburban, rural) for the state as a whole and each of the nine regions across the study years.

As shown in Figure 15, statewide median fees have increased somewhat (\$25 - \$50) over the 2012-2016 time period for all five appraisal types. Median fees for 2016 increased by \$25 compared to the previous study (2014) for Form 1004 FHA and Form 1073, were unchanged for Form 1004 and Form 2055, and declined by \$5 for Form 1025 appraisals.



Most regions (Figures 16-24) have shown trends in median fees fairly similar to the statewide trends. Median fees reported by appraisers and lenders have occasionally declined from one year to the next, but for the most part have been flat or exhibited modest increases over the 2012-2016 period of \$25 - \$75.

The exceptions are Form 1025 and Form 1073 medians in regions 4-8, which have fluctuated by relatively large amounts. These appraisal types typically yield the fewest responses, especially in more rural regions where income-producing properties (Form 1025) and condominiums (Form 1073) are less common. The dramatic spike in 2014 in several of these regions is likely due to the particular combinations of appraisers and lenders who responded to the survey that year.

Since 2016 medians for Form 1025 and 1073 appraisals returned to near 2012/2013 levels in the regions where data were able to be reported, it appears that the 2014 survey results should be viewed as somewhat of an anomaly.

Figure 16. Comparison of Median Appraisal Fees across All Location Types for Four Years: Region 1

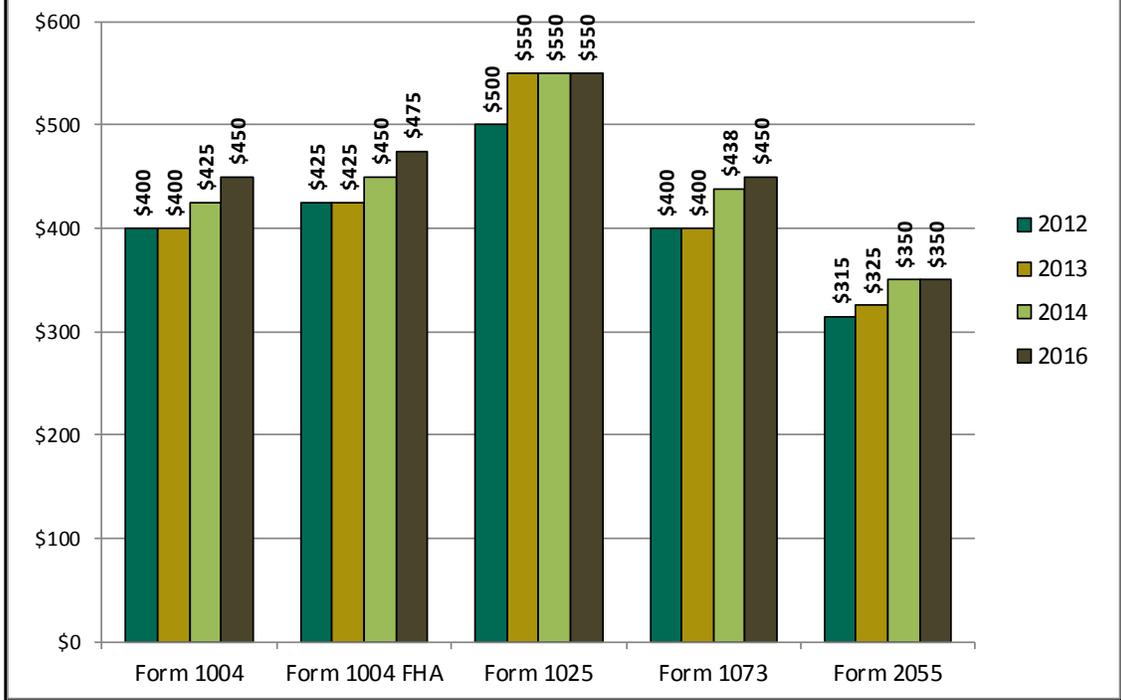


Figure 17. Comparison of Median Appraisal Fees across All Location Types for Four Years: Region 2

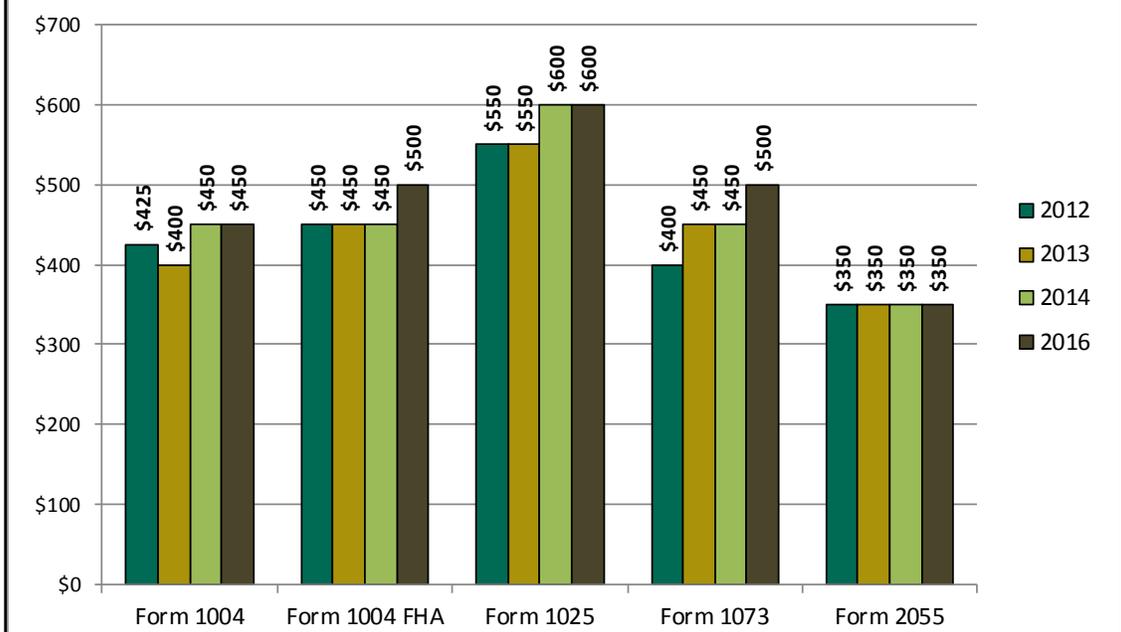


Figure 18. Comparison of Median Appraisal Fees across All Location Types for Four Years: Region 3

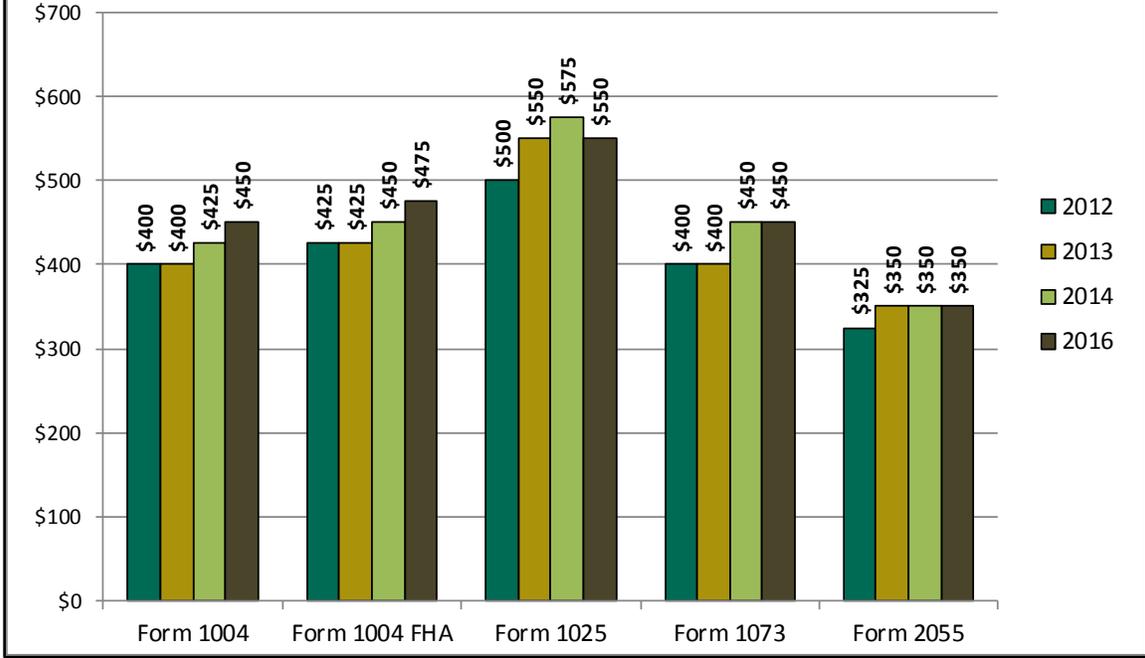


Figure 19. Comparison of Median Appraisal Fees across All Location Types for Four Years: Region 4

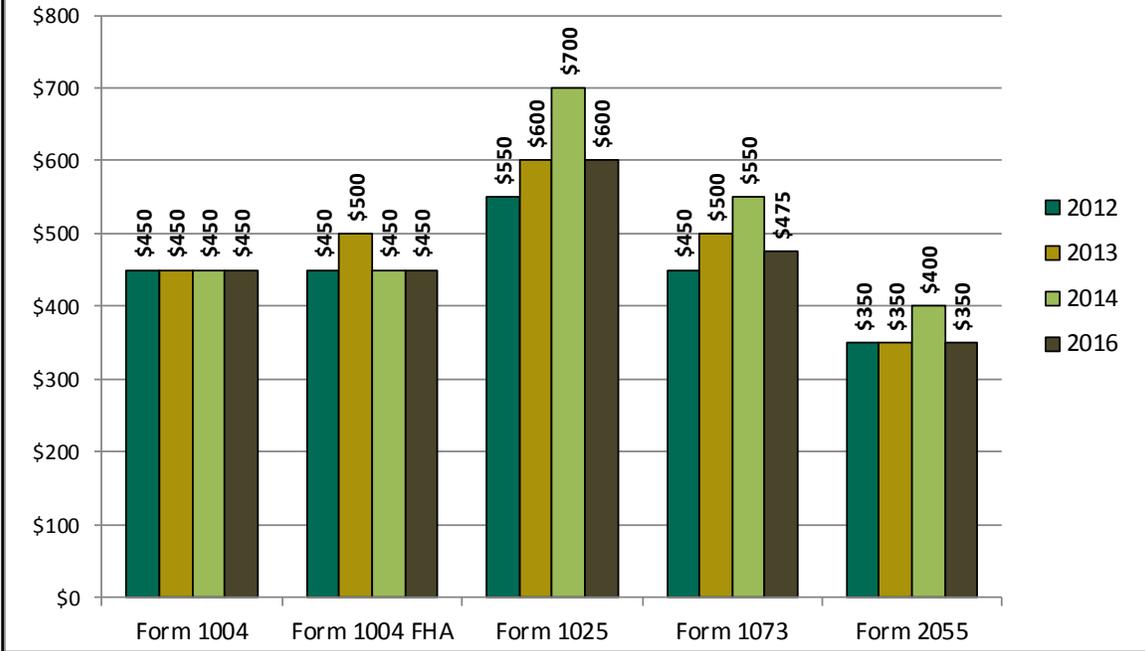


Figure 20. Comparison of Median Appraisal Fees across All Location Types for Four Years: Region 5

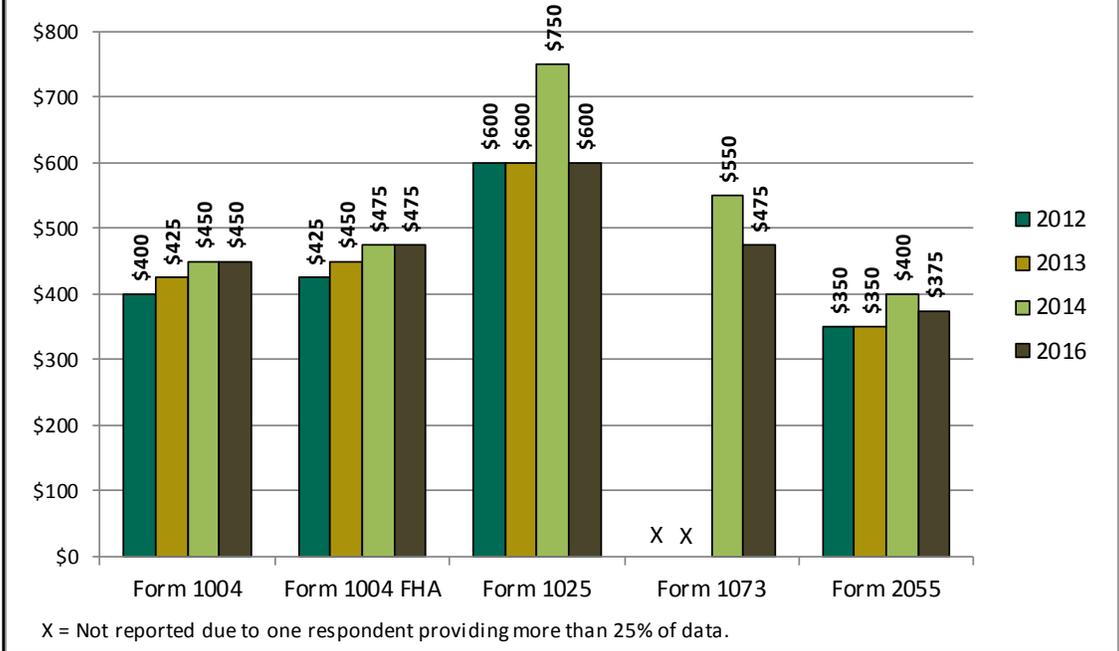
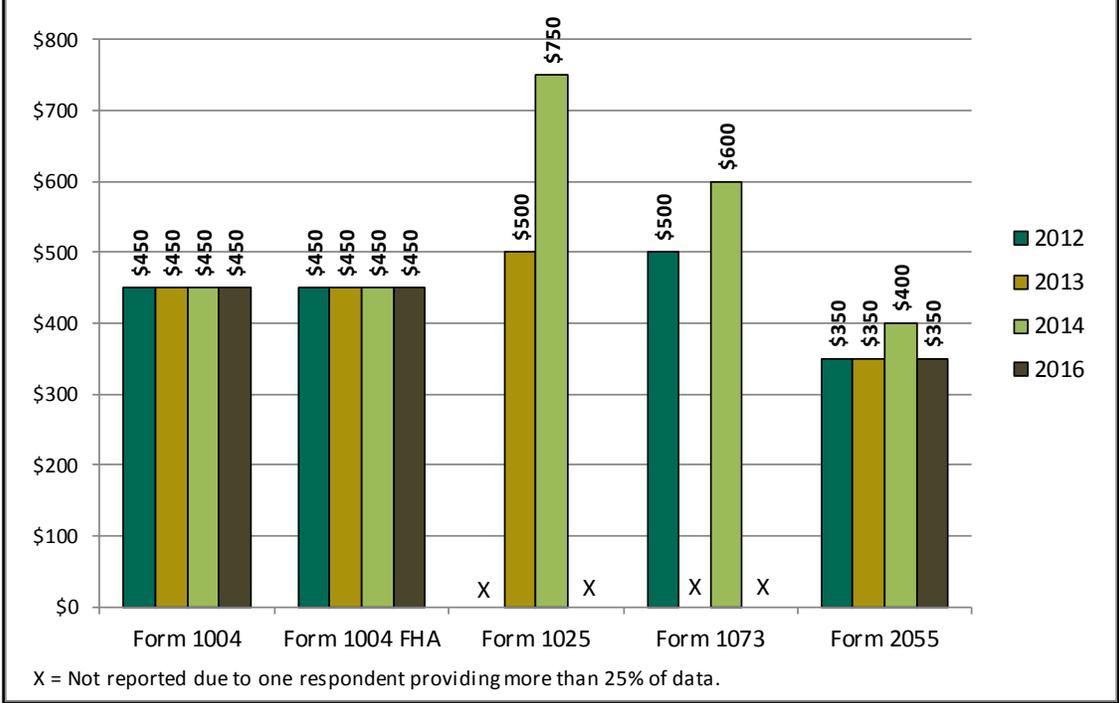
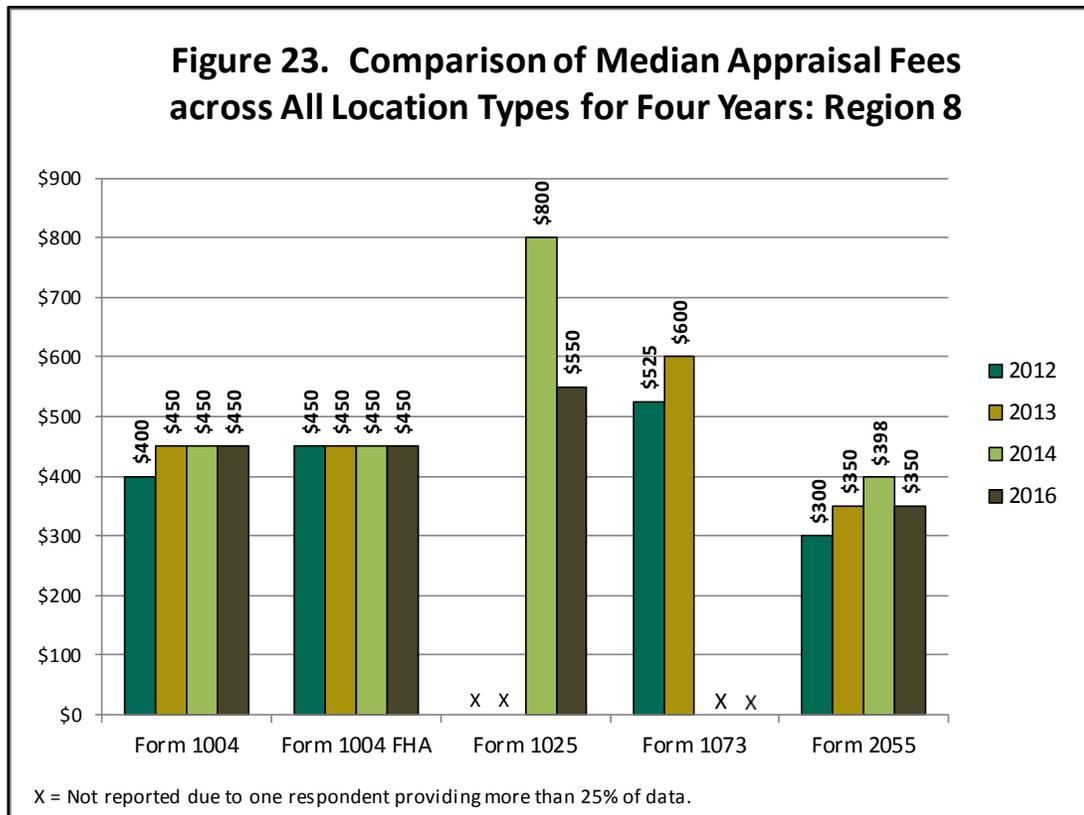
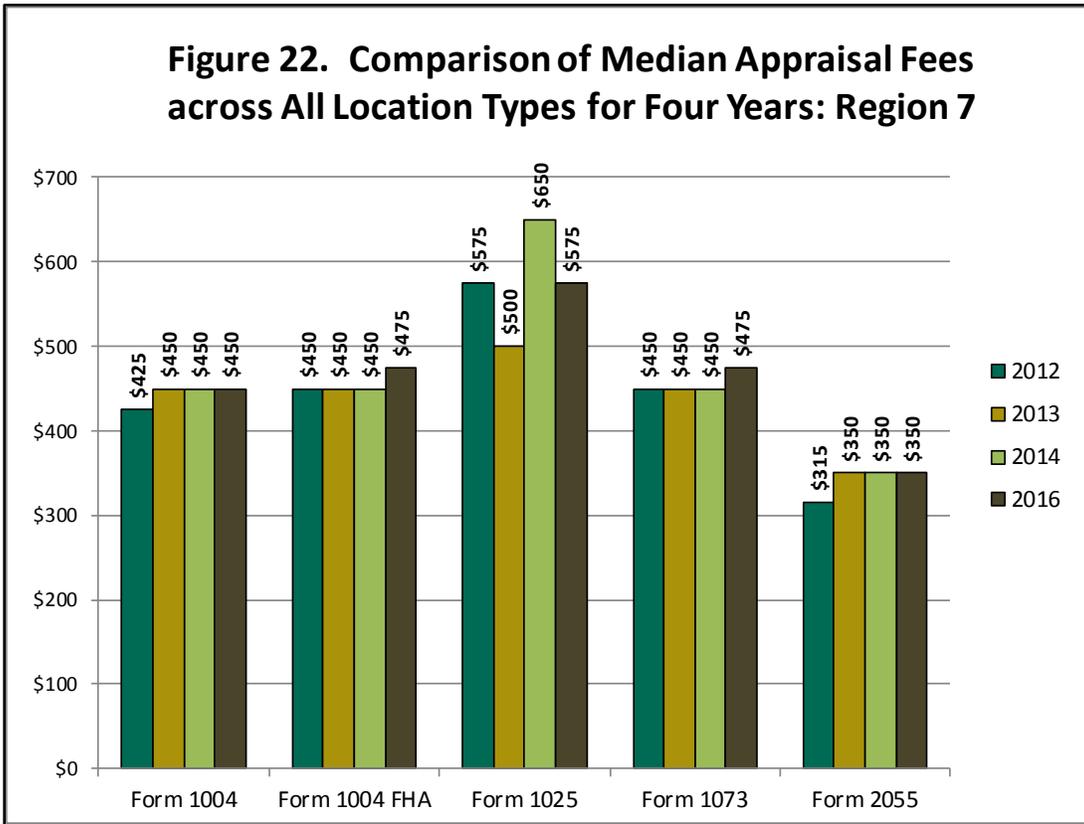
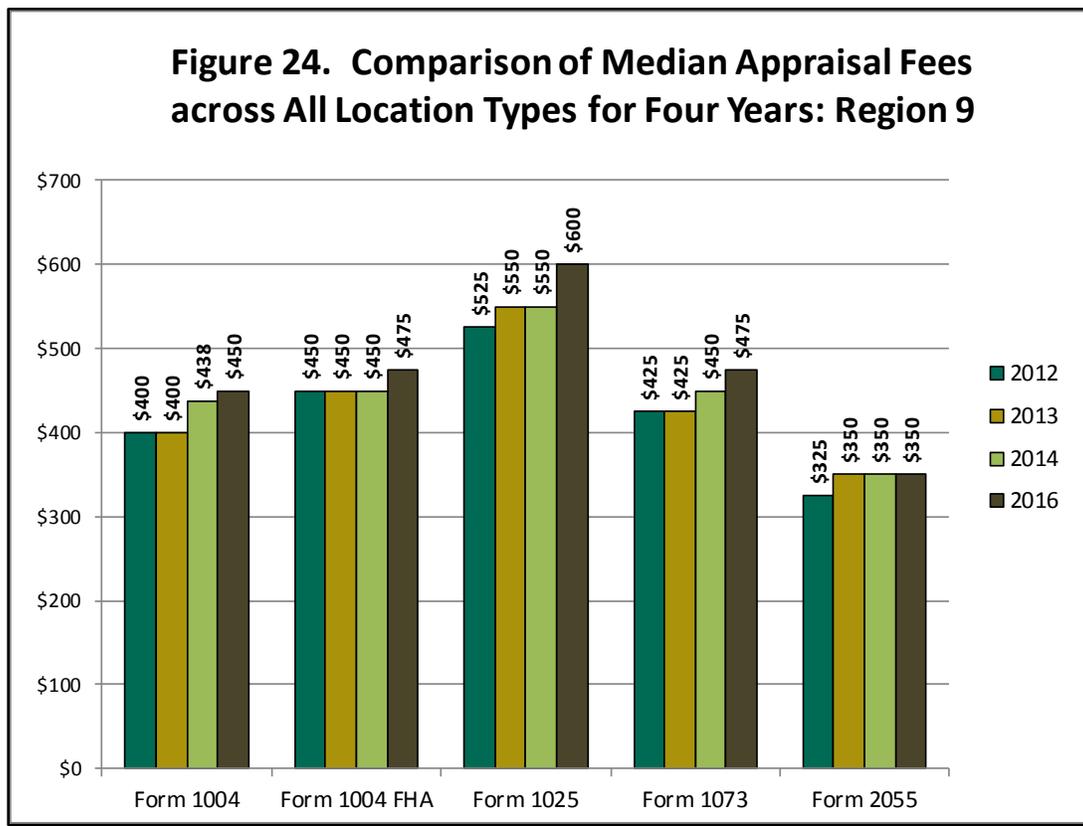


Figure 21. Comparison of Median Appraisal Fees across All Location Types for Four Years: Region 6







APPRAISAL FEE ADJUSTMENTS

The appraisal fees collected in the survey and discussed in the preceding sections are for “typical” appraisals and should be considered as “normal” or baseline fees for the various types of appraisals.

Fees may need to be adjusted upward for complex, unique, or high-value properties, or for properties at distant locations requiring significant travel for the appraiser.

Additional Fee for Appraisals of Complex, Unique, or Very Expensive Properties

Question 11 of the lenders’ survey and Question 12 of the appraisers’ survey asked respondents if they paid/charged additional or higher fees for appraisals of “complex, unique, or very expensive properties”, and if so, how much of an additional fee was typical.

A total of 183 lenders and appraisers (89 percent) responded that they did pay/charge additional fees for large, expensive, or complex properties, while 22 (11 percent) said they did not. The question was not answered by 69 survey respondents.

Of the 183 who indicated that they charged/paid higher fees, 153 respondents provided a fixed value or range (\$100, \$100 - \$200, \$100+, etc.) and seven indicated a percentage or range (25%, 10% - 15%, etc.).

Several respondents did not specify a percentage or an amount, but said that the additional fee varied or depended on the characteristics of the property, time spent on the appraisal, etc., and some respondents said they charged/paid higher fees but did not provide an amount.

In order to calculate statistics, the midpoint of any range indicated in a response was used as a proxy for that response. For example, if the respondent said "\$100 – \$200" then the midpoint value of \$150 was used in the calculations. If the respondent indicated one end of a range, e.g. "\$100+" or "up to \$300", then that single endpoint was used.

Using the protocol described above, and after removing eight high outliers based on the Chauvenet criterion, the 145 cleaned dollar value responses had a range of \$50 - \$650 with a **median additional fee of \$125**. The seven percentage responses had a range of 20 to 150 percent, with a **median additional percentage of 75 percent**.

Additional Fee for Appraisals of Properties in Remote or Distant Locations

Questions 12 – 13c of the lenders' survey and Questions 13 – 14c of the appraisers' survey asked respondents if they paid/charged additional or higher appraisal fees for properties in remote or distant locations, and, if so, what the typical increase was, how it was determined, and how it varied with distance.

Of the 204 respondents who answered the distance fee questions, 159 (77.9 percent) indicated that they did pay/charge additional fees for remote or distant locations, while 45 respondents (22.1 percent) said they did not.

Of the 159 who indicated that they paid/charged additional distance fees, 73 (45.9 percent) said the fee was a flat rate, and 68 of these provided information on typical fees. After removing four high outliers using the Chauvenet criterion, the 64 remaining flat-rate distance fees ranged from \$25 to \$350, with a **median additional flat rate distance fee of \$75**.

A variable fee based on mileage was used by 82 respondents (51.6 percent), of which 74 provided at least some useable information on typical distance fees for four mileage brackets provided in the survey:

- 10 – 15 miles
- 16 – 25 miles
- 26 – 50 miles
- 51+ miles

All (n=3) or portions (n=2) of five responses were removed as high outliers based on the Chauvenet criterion. Responses and statistics from the remaining 71 cleaned responses are detailed in Table 31.

Since the intent of blank responses could not be determined, they were left out of the calculations of the medians. However, zero responses were included.

	<u>10 – 15 miles</u>	<u>16 – 25 miles</u>	<u>26 – 50 miles</u>	<u>51+ miles</u>
Blank Responses	39	30	17	25
Fee=\$0 Responses	23	11	2	--
Number of Non-Blank, Non-Zero Responses	9	30	52	46
Median Fee (incl. Fee=\$0 Responses)	\$0	\$50	\$50	\$100

Four respondents (2.5 percent) indicated that their distance fees were mileage-based. Because of the small number of mileage-based responses, the statistics are not reported.

SUMMARY

The Business Research Center at Southeastern Louisiana University conducted online surveys of mortgage lenders operating in Louisiana and licensed Louisiana real estate appraisers to collect information on “customary and reasonable” residential real estate appraisal fees.

Usable responses were received from 56 mortgage lenders located in 27 parishes and 218 appraisers with primary offices in 33 parishes (plus six other states). Appraisal fee data were provided for properties located in all 64 parishes.

Typical appraisal fees were collected for five appraisal types for properties in urban, suburban, and rural locations. Fees were analyzed by region based on designations by the Governor’s Office of Homeland Security and Emergency Preparedness (GOHSEP), illustrated in the map in Figure 9.

Median fees for all appraisal types and locations for all nine regions and the state as a whole are shown in Table 32.

These fees should be considered as “normal” or “typical” residential appraisal fees. Adjustments may be necessary for large or complex properties or for properties in remote or distant locations.

Type of Appraisal	Property Location	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9	State-wide
1004	Urban	\$450	\$450	\$450	\$425	\$400	\$450	\$450	\$450	\$450	\$450
	Suburb.	\$450	\$450	\$450	\$438	\$450	\$450	\$450	\$450	\$450	\$450
	Rural	\$475	\$488	\$500	\$450	\$450	\$450	\$475	\$450	\$475	\$450
1004FHA	Urban	\$450	\$500	\$450	\$450	\$450	\$450	\$450	\$450	\$475	\$450
	Suburb.	\$450	\$500	\$450	\$450	\$475	\$450	\$450	\$450	\$475	\$450
	Rural	\$500	\$500	\$500	\$450	\$475	\$450	\$475	\$450	\$500	\$500
1025	Urban	\$550	\$600	\$550	\$575	\$600	X	\$575	\$550	\$600	\$575
	Suburb.	\$550	\$600	\$550	\$600	\$600	X	\$550	\$600	\$575	\$575
	Rural	\$595	\$650	\$575	\$600	\$600	X	\$600	\$550	\$600	\$600
1073	Urban	\$450	\$500	\$450	\$450	\$400	X	\$463	X	\$475	\$450
	Suburb.	\$450	\$475	\$450	\$450	\$475	X	\$475	X	\$475	\$450
	Rural	\$475	\$500	X	\$500	X	X	\$500	X	\$475	\$500
2055	Urban	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$375	\$350	\$350
	Suburb.	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350
	Rural	\$350	\$400	\$388	\$400	\$400	\$400	\$350	\$400	\$400	\$400
X = median not reported due to individual respondent(s) providing over 25 percent of data.											

APPENDICES

Appendix 1 - Descriptive Statistics of 2016 Survey Appraisal Fees by Region, Appraisal Type, and Property Location

STATEWIDE	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	182	209	184	153	173	154	121	136	100
Cleaned obs. (n)	712	896	826	579	713	654	378	474	353
Median	\$450	\$450	\$450	\$450	\$450	\$500	\$575	\$575	\$600
Mean	447.92	\$447.52	\$476.16	\$467.39	\$467.75	\$498.00	\$581.72	\$574.93	\$604.14
Mode	\$450	\$450	\$450	\$450	\$450	\$500	\$550	\$550	\$650
Minimum	\$300	\$300	\$275	\$300	\$300	\$300	\$375	\$400	\$400
Maximum	\$600	\$600	\$700	\$650	\$650	\$800	\$850	\$850	\$900
Std. Deviation	\$43.96	\$45.94	\$61.22	\$48.06	\$46.72	\$74.16	\$83.93	\$77.65	\$86.14

STATEWIDE	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	115	128	83	130	154	125
Cleaned obs. (n)	364	426	293	464	601	511
Median	\$450	\$450	\$500	\$350	\$350	\$400
Mean	\$473.13	\$471.06	\$504.10	\$358.24	\$354.58	\$386.89
Mode	\$450	\$450	\$450	\$350	\$350	\$400
Minimum	\$350	\$375	\$400	\$200	\$150	\$200
Maximum	\$750	\$700	\$800	\$550	\$550	\$600
Std. Deviation	\$65.82	\$62.59	\$72.74	\$54.08	\$56.71	\$67.20

REGION 1	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	40	47	27	34	40	24	35	42	18
Cleaned obs. (n)	92	116	65	81	105	54	81	100	45
Median	\$450	\$450	\$475	\$450	\$450	\$500	\$550	\$550	\$595
Mean	\$440.92	\$435.47	\$486.85	\$464.01	\$461.05	\$504.26	\$553.77	\$543.55	\$594.22
Mode	\$450	\$450	\$450	\$450	\$450	\$500	\$550	\$550	\$550
Minimum	\$375	\$375	\$375	\$375	\$375	\$425	\$425	\$425	\$500
Maximum	\$525	\$525	\$650	\$550	\$550	\$700	\$700	\$650	\$700
Std. Deviation	\$34.90	\$35.84	\$62.66	\$35.39	\$37.36	\$61.36	\$55.77	\$47.09	\$59.07

REGION 1	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	35	40	15	28	36	14
Cleaned obs. (n)	69	86	32	66	89	35
Median	\$450	\$450	\$475	\$350	\$350	\$350
Mean	\$443.12	\$440.12	\$486.72	\$334.47	\$327.25	\$367.86
Mode	\$450	\$450	\$450	\$350	\$350	\$350
Minimum	\$350	\$375	\$425	\$250	\$225	\$275
Maximum	\$550	\$550	\$575	\$400	\$400	\$450
Std. Deviation	\$37.35	\$37.24	\$48.77	\$33.33	\$37.81	\$41.82

REGION 2	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	36	46	43	31	39	38	24	30	25
Cleaned obs. (n)	122	153	150	124	150	143	90	98	91
Median	\$450	\$450	\$488	\$500	\$500	\$500	\$600	\$600	\$650
Mean	\$459.84	\$455.39	\$484.00	\$487.70	\$483.67	\$514.69	\$609.44	\$601.28	\$629.67
Mode	\$450	\$450	\$500	\$500	\$500	\$500	\$600	\$600	\$650
Minimum	\$400	\$375	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Maximum	\$550	\$550	\$600	\$600	\$600	\$700	\$800	\$800	\$900
Std. Deviation	\$37.70	\$38.57	\$42.69	\$43.77	\$42.57	\$59.66	\$67.83	\$68.34	\$75.27

REGION 2	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	27	34	26	26	34	31
Cleaned obs. (n)	93	103	88	99	121	117
Median	\$500	\$475	\$500	\$350	\$350	\$400
Mean	\$483.87	\$480.10	\$506.25	\$369.70	\$365.33	\$388.68
Mode	\$500	\$500	\$500	\$350	\$350	\$400
Minimum	\$400	\$400	\$400	\$275	\$275	\$275
Maximum	\$600	\$600	\$700	\$475	\$475	\$550
Std. Deviation	\$41.97	\$42.50	\$51.03	\$42.30	\$40.67	\$49.51

REGION 3	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	27	40	28	22	36	24	17	26	13
Cleaned obs. (n)	56	78	59	49	74	53	34	49	29
Median	\$450	\$450	\$500	\$450	\$450	\$500	\$550	\$550	\$575
Mean	\$440.54	\$440.96	\$489.41	\$462.14	\$460.74	\$496.70	\$566.03	\$556.02	\$599.14
Mode	\$450	\$400	\$500	\$450	\$450	\$500	\$550	\$550	\$550
Minimum	\$375	\$375	\$375	\$400	\$400	\$400	\$450	\$450	\$500
Maximum	\$500	\$500	\$650	\$500	\$550	\$650	\$700	\$700	\$700
Std. Deviation	\$36.34	\$38.96	\$65.19	\$28.80	\$36.96	\$53.49	\$71.15	\$66.38	\$70.55

REGION 3	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	17	23	9	18	28	14
Cleaned obs. (n)	37	50	23	43	62	34
Median	\$450	\$450	X	\$350	\$350	\$388
Mean	\$443.24	\$441.50	X	\$345.35	\$337.90	\$375.74
Mode	\$450	\$400	X	\$350	\$350	\$400
Minimum	\$400	\$400	X	\$275	\$150	\$275
Maximum	\$525	\$550	X	\$400	\$400	\$475
Std. Deviation	\$34.18	\$39.64	X	\$40.92	\$46.77	\$48.26

REGION 4	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	33	36	31	22	24	22	13	17	15
Cleaned obs. (n)	82	104	92	53	70	64	30	46	38
Median	\$425	\$438	\$450	\$450	\$450	\$450	\$575	\$600	\$600
Mean	\$433.54	\$436.78	\$457.61	\$446.70	\$453.57	\$470.70	\$563.33	\$573.91	\$586.84
Mode	\$400	\$400	\$450	\$450	\$450	\$500	\$450	\$600	\$600
Minimum	\$350	\$350	\$375	\$350	\$350	\$350	\$400	\$400	\$400
Maximum	\$600	\$650	\$750	\$600	\$700	\$800	\$675	\$675	\$700
Std. Deviation	\$43.96	\$53.74	\$66.48	\$53.04	\$61.72	\$77.99	\$98.42	\$82.66	\$91.48

REGION 4	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	14	17	14	18	21	19
Cleaned obs. (n)	38	49	48	50	66	62
Median	\$450	\$450	\$500	\$350	\$350	\$400
Mean	\$471.71	\$502.04	\$560.94	\$349.50	\$371.21	\$385.08
Mode	\$450	\$450	\$500	\$350	\$350	\$350
Minimum	\$400	\$400	\$400	\$250	\$250	\$250
Maximum	\$750	\$850	\$1,000	\$500	\$550	\$600
Std. Deviation	\$81.62	\$106.29	\$174.65	\$56.35	\$72.89	\$84.86

REGION 5	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	27	26	26	20	21	21	11	11	11
Cleaned obs. (n)	44	52	55	40	46	48	15	16	16
Median	\$400	\$450	\$450	\$450	\$475	\$475	\$600	\$600	\$600
Mean	\$425.57	\$435.58	\$445.91	\$468.13	\$479.35	\$488.02	\$576.67	\$575.00	\$587.50
Mode	\$400	\$400	\$450	\$450	\$450	\$450	\$600	\$600	\$600
Minimum	\$350	\$350	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Maximum	\$500	\$500	\$525	\$550	\$600	\$600	\$750	\$700	\$700
Std. Deviation	\$33.45	\$36.83	\$34.62	\$46.68	\$50.91	\$54.09	\$97.96	\$79.58	\$78.53

REGION 5	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	8	6	5	18	19	17
Cleaned obs. (n)	7	7	6	33	39	40
Median	\$400	\$475	X	\$350	\$350	\$400
Mean	\$460.71	\$489.29	X	\$362.12	\$368.59	\$390.00
Mode	\$400	\$400	X	\$400	\$400	\$400
Minimum	\$400	\$400	X	\$300	\$300	\$300
Maximum	\$600	\$600	X	\$450	\$450	\$500
Std. Deviation	\$83.99	\$93.38	X	\$43.36	\$48.91	\$58.23

REGION 6	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	17	23	25	13	14	16	6	7	7
Cleaned obs. (n)	69	79	84	54	58	62	16	19	19
Median	\$450	\$450	\$450	\$450	\$450	\$450	X	X	X
Mean	\$468.84	\$469.30	\$481.85	\$457.87	\$463.36	\$469.76	X	X	X
Mode	\$450	\$450	\$450	\$450	\$450	\$450	X	X	X
Minimum	\$350	\$350	\$350	\$300	\$300	\$300	X	X	X
Maximum	\$650	\$650	\$650	\$650	\$750	\$750	X	X	X
Std. Deviation	\$67.03	\$65.16	\$71.91	\$78.28	\$85.87	\$83.85	X	X	X

REGION 6	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	7	7	7	10	7	14
Cleaned obs. (n)	17	17	17	28	33	37
Median	X	X	X	\$350	\$350	\$400
Mean	X	X	X	\$403.57	\$403.03	\$418.92
Mode	X	X	X	\$350	\$350	\$350
Minimum	X	X	X	\$300	\$300	\$300
Maximum	X	X	X	\$650	\$650	\$650
Std. Deviation	X	X	X	\$109.65	\$102.27	\$106.62

REGION 7	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	37	40	39	29	29	29	23	22	19
Cleaned obs. (n)	98	120	127	71	79	83	48	55	49
Median	\$450	\$450	\$475	\$450	\$450	\$475	\$575	\$550	\$600
Mean	\$443.88	\$450.63	\$482.01	\$458.45	\$464.87	\$488.86	\$578.02	\$561.27	\$606.63
Mode	\$450	\$450	\$450	\$450	\$450	\$450	\$550	\$500	\$650
Minimum	\$350	\$375	\$400	\$375	\$375	\$400	\$375	\$450	\$450
Maximum	\$500	\$550	\$650	\$500	\$550	\$600	\$800	\$750	\$850
Std. Deviation	\$29.83	\$36.59	\$54.65	\$30.16	\$36.14	\$48.49	\$80.61	\$68.10	\$86.42

REGION 7	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	21	20	15	27	28	27
Cleaned obs. (n)	44	45	33	68	80	82
Median	\$463	\$475	\$500	\$350	\$350	\$350
Mean	\$464.20	\$465.56	\$511.36	\$354.78	\$354.69	\$385.06
Mode	\$450	\$450	\$500	\$350	\$350	\$350
Minimum	\$350	\$375	\$400	\$250	\$275	\$300
Maximum	\$550	\$550	\$650	\$475	\$475	\$550
Std. Deviation	\$49.82	\$44.69	\$69.34	\$45.97	\$50.49	\$59.04

REGION 8	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	19	24	24	14	16	17	9	12	9
Cleaned obs. (n)	81	113	117	58	73	77	27	38	28
Median	\$450	\$450	\$450	\$450	\$450	\$450	\$550	\$600	\$550
Mean	\$440.43	\$442.12	\$465.38	\$461.21	\$464.73	\$473.38	\$601.85	\$601.32	\$573.21
Mode	\$450	\$450	\$450	\$450	\$450	\$450	\$550	\$600	\$500
Minimum	\$350	\$300	\$300	\$400	\$400	\$350	\$400	\$400	\$400
Maximum	\$525	\$575	\$650	\$550	\$550	\$600	\$800	\$800	\$750
Std. Deviation	\$35.26	\$50.49	\$69.39	\$35.72	\$35.31	\$55.66	\$107.85	\$94.79	\$94.75

REGION 8	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	6	6	4	8	13	14
Cleaned obs. (n)	11	15	10	34	55	58
Median	X	X	X	\$375	\$350	\$400
Mean	X	X	X	\$369.12	\$355.45	\$381.47
Mode	X	X	X	\$300	\$300	\$300
Minimum	X	X	X	\$250	\$200	\$200
Maximum	X	X	X	\$475	\$500	\$600
Std. Deviation	X	X	X	\$73.87	\$69.84	\$87.93

REGION 9	Form 1004			Form 1004 for FHA			Form 1025		
	Urban	Suburban	Rural	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	33	43	39	26	34	32	22	31	24
Cleaned obs. (n)	57	74	73	45	58	58	33	46	36
Median	\$450	\$450	\$475	\$475	\$475	\$500	\$600	\$575	\$600
Mean	\$453.07	\$449.65	\$483.56	\$479.89	\$478.10	\$510.95	\$602.88	\$589.57	\$625.56
Mode	\$450	\$450	\$450	\$450	\$450	\$500	\$550	\$550	\$550
Minimum	\$375	\$375	\$325	\$375	\$375	\$400	\$500	\$450	\$500
Maximum	\$500	\$500	\$650	\$600	\$600	\$700	\$800	\$800	\$900
Std. Deviation	\$32.41	\$35.24	\$61.41	\$49.90	\$44.49	\$66.79	\$78.26	\$73.88	\$78.99

REGION 9	Form 1073			Form 2055		
	Urban	Suburban	Rural	Urban	Suburban	Rural
Respondents	23	31	22	23	33	25
Cleaned obs. (n)	36	47	35	39	54	46
Median	\$475	\$475	\$475	\$350	\$350	\$400
Mean	\$464.44	\$464.26	\$491.43	\$371.15	\$360.65	\$392.39
Mode	\$475	\$475	\$475	\$350	\$350	\$400
Minimum	\$375	\$375	\$400	\$300	\$275	\$300
Maximum	\$600	\$600	\$700	\$475	\$475	\$550
Std. Deviation	\$46.41	\$50.45	\$60.62	\$51.47	\$51.76	\$64.52

Appendix 2 – Lender Survey Instrument



**Southeastern Louisiana University
Business Research Center**

Survey: LREAB 2016 Appraisal Fee Survey - Lenders

Louisiana Residential Appraisal Fee Survey

This survey has been commissioned by the Louisiana Real Estate Appraisers Board in order to collect data on “customary and reasonable” appraisal fees paid to Louisiana-licensed real estate appraisers in 2016 as outlined in the federal regulations detailed at:

**Title 12 - Banks and Banking
Chapter X - BUREAU OF CONSUMER FINANCIAL PROTECTION
Part 1026 - TRUTH IN LENDING (REGULATION Z)
Subpart E - Special Rules for Certain Home Mortgage Transactions
Section 1026.42 - Valuation independence.**

This survey and the resulting report have been designed to meet the requirements of the “*Alternative presumption of compliance*” for customary and reasonable compensation described in the above-referenced regulations.

All responses are totally confidential, will not be associated with your identity or e-mail address, and will only be released in aggregate form.

Participants who complete this survey are invited to request a copy of the final survey report by entering their e-mail address at the conclusion of the survey.

Should you have any questions about the survey or need more information, please contact:

**Herb Holloway
Research Economist
Southeastern Louisiana University
Business Research Center
(985) 549-3199
herb.holloway@selu.edu**

Thank you very much for your participation.

DEMOGRAPHIC AND BACKGROUND INFORMATION

1. Please indicate your position/occupation during 2016:

- Staff person or assistant in mortgage loan department
- Mortgage loan officer
- Mortgage loan department manager
- Chief Lending Officer
- Branch Manager
- VP

- President
- CEO
- Other

2. Please select the description which BEST describes your employer/company in 2016:

- Local financial institution with offices/branches in only one parish
- Financial institution with offices/branches in multiple parishes of Louisiana
- Financial institution with offices/branches in multiple states
- Local/independent mortgage lending company
- Mortgage lending company with multiple offices in Louisiana
- Branch office of a multi-state/national mortgage lending company
- Other

3. Please enter the five-digit zip code for the office location in which you spent the majority of your time in 2016:

4. Approximately how many mortgage loans for properties located in Louisiana were you involved in processing during calendar year 2016?

- 0 - 5
- 6 - 10
- 11 - 25
- 26 - 50
- 51 - 100
- 100+

5. Of the mortgage loans you worked on in 2016, for approximately what percentage did you order appraisals directly from a licensed real estate appraiser (i.e., not from an appraisal management company (AMC))? *

- I am not involved in ordering residential real estate appraisals. (You will be directed to the end of the survey.)
- 0% - All appraisals in 2014 were ordered through appraisal management companies (AMCs). (You will be directed to the end of the survey.)
- 25% or less.
- 26 - 50%
- 51 - 76%
- 76 - 99%

All (100% ordered directly from licensed real estate appraisers).

The remainder of the survey will ask for details of typical fees paid in 2016 for appraisals ordered directly from licensed real estate appraisers. Please DO NOT include any information related to appraisals ordered through appraisal management companies (AMCs).

In the tables below, please enter the typical/average appraisal fee paid directly to licensed real estate appraisers (NOT routed through AMCs) in 2016 for the following types of appraisals, including appropriate addenda:

- Form 1004 FHA (Residential 1-unit full appraisal for FHA)
- Form 1004 FHA (Residential 1-unit full appraisal for FHA)
- Form 1025 (Small (2-4 units) residential income property full appraisal)
- Form 1073 (Individual condominium unit full appraisal)
- Form 2055 (Residential 1-unit exterior-only inspection appraisal)

Please input the typical fees for properties in each parish for which you handled mortgage loans. Columns are provided for you to input typical fees for urban, suburban and rural property appraisals, as applicable, for each parish. (If fees for urban, suburban and rural properties are the same for a particular parish, please enter that amount in each of the columns.)

Question 6. Form 1004 (Residential 1-unit full appraisal)

Typical residential appraisal fees paid directly to licensed appraisers in 2016.
(Please enter **numbers only** - no dollar signs necessary.)

	Urban	Suburban	Rural
Acadia			
Allen			
Ascension			
Assumption			
Avoyelles			
Beauregard			
Bienville			
Bossier			
Caddo			
Calcasieu			
	Urban	Suburban	Rural
Caldwell			
Cameron			
Catahoula			
Claiborne			
Concordia			
DeSoto			
East Baton Rouge			
East Carroll			

East Feliciana			
Evangeline			
	Urban	Suburban	Rural
Franklin			
Grant			
Iberia			
Iberville			
Jackson			
Jefferson			
Jefferson Davis			
Lafayette			
Lafourche			
LaSalle			
	Urban	Suburban	Rural
Lincoln			
Livingston			
Madison			
Morehouse			
Natchitoches			
Orleans			
Ouachita			
Plaquemines			
Pointe Coupee			
Rapides			
	Urban	Suburban	Rural
Red River			
Richland			
Sabine			
St. Bernard			
St. Charles			
St. Helena			
St. James			
St. John			
St. Landry			
St. Martin			
	Urban	Suburban	Rural
St. Mary			
St. Tammany			
Tangipahoa			
Tensas			
Terrebonne			
Union			
Vermillion			
Vernon			
Washington			

Webster			
West Baton Rouge			
West Carroll			
West Feliciana			
Winn			

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(Fee input forms were repeated for each appraisal type: Form 1004 for FHA, Form 1025, Form 1073, and Form 2055.)

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11. Does your company typically pay additional or higher fees for appraisals of complex, unique, or very expensive properties?

Yes

No

12. Does your company typically pay additional or higher fees for appraisals in remote or distant locations?

Yes

No

13. How is the additional distance fee determined?

Flat fee

Variable fee based on distance

Mileage based fee

13.a. What was a typical additional distance fee paid by your company in 2016?

13.b. How much additional distance fee (over and above the base appraisal fee) would your company have paid for appraisals the following distances from the property's location? (Please enter numbers only -- no dollar sign necessary.)

	Addtl. Fee
10 - 15 miles	<input type="text"/>
16 - 25 miles	<input type="text"/>
26 - 50 miles	<input type="text"/>
50+ miles	<input type="text"/>

13.c. What mileage rate is paid per mile for distant appraisals by your company? (Please enter numbers and a decimal point only -- no dollar sign necessary.)

14. Would you like to receive an electronic version of the report containing the results of this survey?

Yes

No

Appendix 3 – Appraiser Survey Instrument



**Southeastern Louisiana University
Business Research Center**

Survey: LREAB 2016 Appraisal Fee Survey - Appraisers

Louisiana Residential Appraisal Fee Survey

This survey has been commissioned by the Louisiana Real Estate Appraisers Board in order to collect data on "customary and reasonable" appraisal fees paid to Louisiana-licensed real estate appraisers in 2016 as outlined in the federal regulations detailed at:

**Title 12 - Banks and Banking
Chapter X - BUREAU OF CONSUMER FINANCIAL PROTECTION
Part 1026 - TRUTH IN LENDING (REGULATION Z)
Subpart E - Special Rules for Certain Home Mortgage Transactions
Section 1026.42 - Valuation independence.**

This survey and the resulting report have been designed to meet the requirements of the "Alternative presumption of compliance" for customary and reasonable compensation described in the above-referenced regulations.

All responses are totally confidential, will not be associated with your identity or e-mail address, and will only be released in aggregate form.

Participants who complete this survey are invited to request a copy of the final survey report by entering their e-mail address at the conclusion of the survey.

Should you have any questions about the survey or need more information, please contact:

**Herb Holloway
Research Economist
Southeastern Louisiana University Business Research Center
(985) 549-3199
herb.holloway@selu.edu**

Thank you very much for your participation.

DEMOGRAPHIC AND BACKGROUND INFORMATION

1. Did you hold a license to conduct residential real estate appraisals in the state of Louisiana in 2016? *

- Yes
 No

2. Please indicate your position/occupation during 2016:

- Independent Certified General Appraiser

- Independent Certified Residential Appraiser
- In-house (Staff) Certified General Appraiser
- In-house (Staff) Certified Residential Appraiser
- Appraiser Trainee
- Other (please specify)

3. Approximately how many years have you been in the appraisal business?

- < 5 years
- 6 - 10 years
- 11 - 15 years
- 16 - 25 years
- 26+ years

4. Please enter the five-digit zip code for the office location in which you spent the majority of your time in 2016:

5. Approximately how many residential appraisals for properties located in Louisiana did you conduct during calendar year 2016?

- 0 - 25
- 26 - 50
- 51 - 100
- 101 - 250
- 251 - 400
- 401+

6. Of the residential appraisals you completed in 2016, approximately what percentage were done directly for clients or lenders, i.e. NOT ordered or paid for by an appraisal management company (AMC)? *

- 0% - All appraisals I completed were for appraisal management companies (AMCs). (You will be directed to the end of the survey.)
 - 25% or less.
 - 26 - 50%
 - 51 - 76%
 - 76 - 99%
 - All (100% ordered and paid for directly by clients or lenders).
-

The remainder of the survey will ask for details of typical fees you received in 2016 for appraisals ordered and paid for by lenders, buyers, property owners, or other clients. Please DO NOT include any information related to appraisals ordered through appraisal management companies (AMCs).

In the tables below, please enter the typical/average appraisal fee you received for residential appraisals completed directly for clients (NOT routed through AMCs) in 2016 for the following types of appraisals, including appropriate addenda:

- Form 1004 (Residential 1-unit full appraisal)
- Form 1004 FHA (Residential 1-unit full appraisal for FHA)
- Form 1025 (Small (2-4 units) residential income property full appraisal)
- Form 1073 (Individual condominium unit full appraisal)
- Form 2055 (Residential 1-unit exterior-only inspection appraisal)

Please input the typical appraisal fees you received for properties in each parish in which you completed residential appraisals in 2016. Columns are provided for you to input typical fees for urban, suburban and rural property appraisals, as applicable, for each parish. (If fees for urban, suburban and rural properties are the same for a particular parish, please enter that amount in each of the columns.)

Question 7. Form 1004 (Residential 1-unit full Appraisal)

Typical residential appraisal fees received from non-AMC clients in 2016.

(Please enter numbers only - no dollar signs necessary.)

	Urban	Suburban	Rural
Acadia			
Allen			
Ascension			
Assumption			
Avoyelles			
Beauregard			
Bienville			
Bossier			
Caddo			
Calcasieu			
	Urban	Suburban	Rural
Caldwell			
Cameron			
Catahoula			
Claiborne			
Concordia			
DeSoto			
East Baton Rouge			
East Carroll			
East Feliciana			
Evangeline			
	Urban	Suburban	Rural

Franklin			
Grant			
Iberia			
Iberville			
Jackson			
Jefferson			
Jefferson Davis			
Lafayette			
Lafourche			
LaSalle			
	Urban	Suburban	Rural
Lincoln			
Livingston			
Madison			
Morehouse			
Natchitoches			
Orleans			
Ouachita			
Plaquemines			
Pointe Coupee			
Rapides			
	Urban	Suburban	Rural
Red River			
Richland			
Sabine			
St. Bernard			
St. Charles			
St. Helena			
St. James			
St. John			
St. Landry			
St. Martin			
	Urban	Suburban	Rural
St. Mary			
St. Tammany			
Tangipahoa			
Tensas			
Terrebonne			
Union			
Vermilion			
Vernon			
Washington			
Webster			
West Baton Rouge			
West Carroll			

West Feliciana				
Winn				

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(Fee input forms were repeated for each appraisal type: Form 1004 for FHA, Form 1025, Form 1073, and Form 2055.)

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•
•

12. Do you typically charge additional or higher fees for appraisals of complex, unique, or very expensive properties?

Yes

No

13. Do you typically charge additional or higher fees for appraisals in remote or distant locations?

Yes

No

14. How is the additional distance fee determined?

Flat fee

Variable fee based on distance

Mileage based fee

14.a. What was the typical additional distance fee you charged in 2016?

14.b. How much additional distance fee did you charge in 2016 for appraisals the following distances from your location? (Please enter numbers only -- no dollar sign necessary.)

	Addtl. Fee
10 - 15 miles	<input type="text"/>
16 - 25 miles	<input type="text"/>
26 - 50 miles	<input type="text"/>
50+ miles	<input type="text"/>

14.c. What rate per mile did you charge in 2016 for distant appraisals by your company? (Please enter numbers and a decimal point only -- no dollar sign necessary.)

15. Would you like to receive an electronic version of the report containing the results of this survey?

Yes

No

Appendix 4 – Parishes in each GOHSEP* Region

<u>Region</u>	<u>Parishes Included</u>
Region 1	Jefferson, Orleans, Plaquemines, St. Bernard
Region 2	Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, West Baton Rouge, West Feliciana
Region 3	Assumption, Lafourche, St. Charles, St. James, St. John, Terrebonne
Region 4	Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, St. Mary, Vermilion
Region 5	Allen, Beauregard, Calcasieu, Cameron, Jefferson Davis
Region 6	Avoyelles, Catahoula, Concordia, Grant, LaSalle, Natchitoches, Rapides, Sabine, Vernon, Winn
Region 7	Bienville, Bossier, Caddo, Claiborne, DeSoto, Red River, Webster
Region 8	Caldwell, East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, West Carroll
Region 9	St. Helena, St. Tammany, Tangipahoa, Washington

*GOHSEP = Governor’s Office of Homeland Security and Emergency Preparedness



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