

**Lori L. Schuster**

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**From:** [REDACTED]  
**Sent:** Saturday, December 23, 2017 3:51 PM  
**To:** webmaster@asc.gov  
**Cc:** [REDACTED]  
**Subject:** Recent Request by Two Banks to Waive the Appraisal Requirement

Dear Appraisal Foundation,

I am writing in opposition to the two bank requests to waive the appraisal requirement for the coming year. From what I understand, the first request was because of the "shortage" of commercial appraisers in a specific county and the other was because of the drive time required for a bank employed appraiser to obtain their continuing education. That may not be all of the reasons, but that's what stood out to me. Neither of these requests pass the test of reasonableness.

I am a former Senior Vice President of a community bank and currently a Certified Residential Appraiser. As a banker for more than twenty years, I was responsible for our residential appraisal process, residential lending guidelines and had input into the commercial appraisal process. In addition, I served as our bank's Compliance Officer for five years. Our bank wanted to know the market value of property as a key part of the underwriting process. If we chose to make an exception to our underwriting guidelines, we wanted those exceptions to be based on the facts of the credit. Credentialed appraisers are trained to provide that unbiased market value. I currently consult with community banks and credit unions and am dismayed when they chose to rely on flawed or, worse yet, "influenced" information just to make a loan. I see this happen far too often. I understand and support the use of evaluations when a loan request is based on a low loan to value or there are other compensating circumstances. However, I see evaluations being relied on that have been used for high risk transactions. I hate to see the safety and soundness of any bank jeopardized further if no appraisals are being required at all.

The bank who claims there is a shortage of commercial appraisers simply hasn't done a simple search on the internet. It appears there are quite a few available.

The bank who's employee appraiser doesn't want to travel for continuing education could take half of it online (from my understanding) and would simply have to travel to take 15 hours of education every two years. That really doesn't sound like a hardship. I'm quite sure the bank would provide time off and pay for the classes.

As financial institutions underwriting standards become more liberal – higher loan to value and lower credit scores, knowing the true market value becomes even more important. There is no substitute for an unbiased, impartial and objective appraisal.

Thank you for reading my comments.  
Sincerely,

[REDACTED]

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