

Lori L. Schuster

From: [REDACTED]
Sent: Tuesday, January 2, 2018 5:22 PM
To: webmaster@asc.gov
Subject: Tristar appraisal waiver

01/02/2018

I wanted to contact you concerning the upcoming consideration of the Tristar request for appraisal waivers. The request is based on a false claim of appraiser shortages. Numbers can be manipulated in many ways and I do not know Tristar's reasoning, or underlying motive, but I do have experience in the appraiser field and have seen first hand what effect the lack of good appraisals can do. Many come to mind including a church that was repossessed and my inspection revealed a hole in the ground, nothing else. A second was a historic property being rehabilitated that had no interior finish out in spite of numerous draws against the loan. A third was a borrower claiming a residence he did not live in. I can go on as can most appraisers that discover everything from safety hazards to financial fraud. Those are the immediate effects. The long term is the effect on market reliability as loans are used in banks as part of their assets or sold to investors believing in the security of their investment. Appraisers provide assurance in an asset class that is not available in any other fashion.

The appraiser is the only unbiased party to a mortgage and as such provides security to the transaction for all parties. Most other parties are financially rewarded for increased purchase prices and push towards higher values. Purchasers of more modest housing are the most vulnerable. They frequently lack the market knowledge and savvy to determine market value. Agents, lenders and sellers all are acting in their own best interest and frequently without regard to the market value. Then, when the loan is bundled and sold to investors, it is at above market values and is riskier for them. An appraiser typically receives \$400-\$700 for the work which is less than 0.2% of each transaction. Cheap protection for the public trust.

There is no appraiser shortage, only a shortage of appraisers willing to work for low fees offered.

I thank you for your time and consideration in this matter.

Regards,

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