

Lori L. Schuster

From: James R. Park
Sent: Saturday, January 6, 2018 9:53 AM
To: Lori L. Schuster
Subject: FW: Waivers.....

From: Mike [REDACTED]
Sent: Saturday, January 6, 2018 9:37 AM
To: James R. Park <jim@asc.gov>
Subject: Waivers.....

I have had a real estate license for about 43 years. I have been an appraiser also for about 33 years. I will swear, under oath, that I do not know a single real estate agent, of over 100 I do know, that will not use an unethical appraiser in a second over an honest and ethical appraiser. In my 33 years of appraising, I have had, maybe, 2-3 agents tell me to perform an appraisal to be sure the buyer gets a fair deal. I have had 100-200 tell me that the market value is what the buyer is willing to pay. I have had 50 bank employees tell me they think appraisers keep them from reaching their bank production levels. I have had bank presidents tell me they want to make a loan to some high level person, but they just need an appraisal for the files so the bank examiners will see it. I consider all those unethical thoughts or practices. Many from the bankers came before recent regs and many of the bankers have moved on. Many current and local real estate agents tell me they are using one or more mortgage brokers who know appraisers who will make their deals work almost every time. And those agents say they are using local banks less because the appraisers are tough on their deals. I've seen families torn apart, lose their homes, get divorces, lose their children over a totally high appraisal, that resulted in over borrowing and a resulting long term bad credit rating and history. So, waiving requirements for appraisals is the slippery slope toward more bank failures and bailouts by taxpayers. A solution is to require some product from appraisers that meets the risk. Those products should report a narrow range of value estimate, not a specific amount. The fees and turn times could be reduced accordingly. Every real estate based loan should require some type of appraiser's product. Again, fees and depth of research and reporting should match the transaction/property. The lenders should, or at least could, base their loan, their interest rate, or decisions on range of value or the specific amount they are willing to base their loan on within the range estimate. It is NOT up to the appraiser to decide if a \$1,000 or \$10,000 variation in the appraisal makes or breaks a deal. I've seen \$900 difference between the appraisal and the contract price ruining a \$225,900 sale/purchase. Everybody lost, except the appraiser, and the very large real estate office asked their agents to avoid that appraiser in the future if possible. And they did. Just thoughts from me. NO WAIVERS PLEASE. Mike [REDACTED] CRA, Broker