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Appraisal Subcommittee
Federal Financial Institutions Examination Council

March 20, 2000

Edwin W. Baker
American Society of Appraisers
P.O. Box 17265
Washington, DC 20041-0265

Dear Mr. Baker:

This letter responds to your March 3, 2000 letter in which you describe a situation where a lender required appraisals in connection with that lender's decision to remove Private Mortgage Insurance to be completed by a specific appraisal company. You wanted to make us aware of this practice and requested that we take steps to prevent this unfair and restrictive practice.

While this may be a restrictive practice, without additional information, we are unable to determine whether it constitutes a practice that is illegal or falls within the Appraisal Subcommittee's jurisdiction. Based on the documentation you provided, it may fall within the jurisdiction of one of the federal financial institution regulatory agencies. You may wish to refer your concern to the appropriate agency.

Please contact us if you have any further questions.

Sincerely,



Ben Henson
Executive Director