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Appraisal Subcommittee

Federal Financial Institutions Examination Council

June 17, 1998

Charles D. Clark
Clark Realty Services
4456 Corporation Lane, Suite 145
Virginia Beach, VA 23462

Dear Mr. Clark:

We received your letter regarding your experience with Southern Trust Mortgage Company. You stated that a Mr. McNaughton attempted to pressure you into raising the value of an appraisal you prepared on a property in Virginia Beach. Further, he vowed to stop using your services when you advised him the higher value could not be supported.

Southern Trust Mortgage Company is not a federally regulated financial institution. Many mortgage companies like the Southern Trust Corporation are not subject to Federal oversight. Southern Trust Corporation is chartered by the State. You may consider filing a complaint with the State Corporation Commission Bureau of Financial Institutions in Richmond, Virginia.

As a certified residential appraiser, you are required to follow and uphold the Uniform Standards of Professional Appraisal Practice. While there is nothing we can do to alleviate your concerns regarding Southern Trust Mortgage Company, we applaud your integrity and fortitude.

Sincerely,

Ben Henson
Executive Director