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December 22, 2000

Mr. Ben Henson - Executive Director
Appraisal Subcommittee (ASC)
Federal Financial Institutions Examination Council
2000 K St. NW, Suite 310
Washington, DC 20006

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Dear Executive Director Henson

"The ASC's mission is to ensure that real estate appraisers, who perform appraisals in real estate transactions that could expose the United States government to financial loss, are sufficiently trained and tested to assure competency and independent judgment according to uniform high professional standards and ethics." From the ASC website.

The concern of this petition has to do with my "independent judgment" as an appraiser in performing real estate appraisals. I, the undersigned, am representative of a large number of licensed and certified real estate appraisers in the United States, who seek your assistance in solving a problem facing us on a daily basis. Lenders (meaning any and all of the following: banks, savings and loans, mortgage brokers, credit unions and loan officers in general; not to mention real estate agents) have individuals within their ranks, who, as a normal course of business, apply pressure on appraisers to hit or exceed a predetermined value.

This pressure comes in many forms and includes the following:

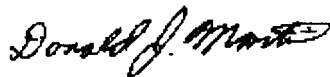
the withholding of business if we refuse to inflate values,
the withholding of business if we refuse to guarantee a predetermined value,
the withholding of business if we refuse to ignore deficiencies in the property,
refusing to pay for an appraisal that does not give them what they want,
black listing honest appraisers in order to use "rubber stamp" appraisers, etc.

I request that action be taken to hold the lenders responsible for this type of violation and provide for a penalty on any person or business who engages in the practice of pressuring appraisers to do dishonest appraisals that do not provide for independent judgment. I believe that this practice has adverse effects on our local and national economies and that the potential for great financial loss exists. I also believe that many individuals have been adversely affected by the purchase of homes which have been over-valued and has greatly contributed to the problems of predatory lending.

While HR 3901 sponsored by Rep. Jan Schakowsky, 9th District, IL has sought to address this problem in part, it will require additional legislation with sufficient penalties to discourage the practice of predatory lending. It is time for a re-examination of what constitutes due diligence for lenders and accountability with the imposition of fines and penalties including revocation of the ability of a lender to engage in lending activity. A national mandate for education, a standard of ethics and licensing for each individual engaged in lending including loan officers and underwriters is long overdue.

I thank you for your cooperation and assistance.

Respectfully yours,



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