



December 6, 2017

FFIEC ASC

Mr. James R. Park, ASC Executive Director
1401 H. Street N.W., Suite 760
Washington, DC 20005

Dear Mr. Park,

After reading the letter from TriStar Bank, I wanted to address my concerns to you not only as an appraiser, but as a resident of the State of Tennessee. What they are asking will bring great exposure and risk to our State. As I read their letter, I thought about how short their memory must be as we are not that far removed from the “Great Recession” of 2008 and the S&L debacle in the 1980s. In each instance, the financial institutions thought they knew best.

So, I put on my appraiser hat and started questioning the accuracy of their data by verifying numbers. I requested the appraiser list for all three license classifications and analyzed them in relation to location of the four counties in their request. These counties include Dickson, Davidson, Williamson, and Maury. Based on the data I received, the State of Tennessee has 1,843 appraisers, which includes reciprocal licenses; however, I tried to focus on the number of resident appraisers as they relate to the area of question.

The total number of resident appraisers in Tennessee is 1,311. Of the 1,311 appraisers in Tennessee, a total of 304 appraisers reside in those four counties or 23.2% of the resident appraisers in Tennessee. In addition, I analyzed the number of appraisers in the surrounding counties as appraisers tend to work in multiple counties, especially general appraisers. Based on my analysis, the four counties in question and the surrounding counties, account for 37.45% of the resident appraisers in the State of Tennessee. TriStar Bank has noted in their letter that there is an insufficient number of Certified General Appraisers with which to work. Based on this analysis, they have access to 40.65% of all resident Certified General Appraisers in Tennessee, or 174 General Appraisers. Please note the following summary table. In addition, I have attached summary tables for each license classification throughout the State and a map noting the location of the counties.

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Summary of Appraisers in the Nashville Area									
	Total of Entire State (All)	Total of Entire State (Resident)	4 Counties* (Resident)		Surrounding Counties** (Resident)		4 Counties & Surrounding Counties Combined (Resident)	All %	Resident (%)
				%		%			
Certified General	836	428	126	29.4%	48	11.2%	174	20.81%	40.65%
Certified Residential License	933	809	166	20.5%	132	16.3%	298	31.94%	36.84%
	74	74	12	16.2%	7	9.5%	19	25.68%	25.68%
Total	1,843	1,311	304	23.2%	187	14.3%	491	26.64%	37.45%

*Note: Davidson, Dickson, Maury, & Williamson

** Note: Cheatham, Giles, Houston, Hickman, Humphreys, Lawrence, Lewis, Marshall, Montgomery, Robertson, Rutherford, Sumner, & Wilson

It appears to me that TriStar Bank has misrepresented the number of appraisers in their area. Furthermore, I respectfully disagree with TriStar Bank regarding the trends of appraisal fees and turn times. My survey of appraisers indicates quite the opposite. Over the past several years, I have yet to talk to an appraiser who has not felt their fees have been declining. The appraisal fees for commercial properties have declined 30% to 40% and the turn times have reduced drastically. If we were analyzing office space and the trends were similar, it would be advised not to build any more office space in this market. Likewise, there does not appear to be a concern for adding more appraisers or warrant a waiver from using a professional appraiser. If the market was as dire as they suggest, the fees and the turn times would be increasing not decreasing, and there is no evidence of this in the market. The Nashville market is one of the hottest real estate markets in the country; therefore, for the public's best interest, having an unbiased, third party appraiser is a necessity.

It is my hope this analysis will assist you and your board in making an informed decision. I think you will agree there is no evidence to warrant a waiver for these four counties. Should you have any questions or want to discuss this letter with me, please feel free to contact me.

Respectfully Submitted,



Rex S. Garrison, MAI, AI-GRS
 State Certified General Real Estate Appraiser TN/VA/KY

cc. Ms. Roxana Gumucio
 Executive Director, Tennessee Real Estate Appraiser Commission
 Tennessee Department of Commerce of Insurance

Ms. Sarah M. Mathews
 Assistant General Counsel, Office of Legal Counsel
 State of Tennessee, Department of Commerce & Insurance

TN Real Estate Appraisers

Active LREAs	
County	# of LREAs
Bedford	1
Blount	1
Bradley	2
Claiborne	1
Cocke	1
Davidson	8
Fentress	1
Giles	1
Greene	1
Hamilton	4
Hardin	1
Houston	1
Johnson	1
Knox	7
Lauderdale	1
Loudon	1
Macon	1
Madison	1
Marion	1
Maury	1
Mcminn	2
Monroe	1
Montgomery	3
Morgan	1
Obion	1
Perry	1
Rutherford	5
Scott	1
Sequatchie	1
Sevier	1
Shelby	7
Sullivan	5
Sumner	1
Washington	2
White	1
Williamson	3
Wilson	1
Total	74

Yellow	12
Orange	7
Total	19
Percentage of Active LREAs Statewide	25.68%

Active CGAPs	
County	# of CGAPs
Anderson	4
Bedford	2
Blount	6
Bradley	5
Campbell	2
Cannon	2
Carroll	2
Carter	1
Cheatham	1
Chester	1
Claiborne	1
Cumberland	3
Davidson	70
Dekalb	6
Dickson	5
Dyer	2
Fentress	1
Gibson	2
Hamblen	3
Hamilton	22
Hardeman	1
Hardin	1
Hawkins	1
Haywood	1
Henry	3
Hickman	2
Jefferson	1
Knox	71
Lauderdale	1
Lawrence	1
Lincoln	2
Loudon	1
Madison	24
Marion	2
Marshall	4
Maury	8
Mcminn	2
Meigs	1
Monroe	1
Montgomery	5
Obion	1
Putnam	3
Rhea	1
Roane	3
Rutherford	13
Sevier	4
Shelby	46
Sullivan	7
Sumner	8
Tipton	2
Trousdale	1
Warren	2
Washington	9
Weakley	2
Williamson	43
Wilson	14
Total	428

Yellow	126
Orange	48
Total	174
Percentage of Active CGAPs Statewide	40.65%

Active CREAs	
County	# of CREAs
Anderson	7
Bedford	7
Benton	2
Bledsoe	1
Blount	15
Bradley	18
Carroll	1
Carter	4
Cheatham	2
Chester	1
Claiborne	4
Cocke	1
Coffee	7
Cumberland	6
Davidson	90
Dekalb	3
Dickson	8
Dyer	2
Fayette	2
Fentress	2
Franklin	6
Gibson	8
Giles	3
Grainger	2
Greene	5
Grundy	1
Hamblen	10
Hamilton	36
Hardeman	2
Hardin	2
Haywood	4
Henderson	4
Henry	4
Hickman	2
Humphreys	2
Jackson	1
Jefferson	8
Knox	93
Lauderdale	1
Lawrence	8
Lewis	1
Lincoln	6
Loudon	7
Macon	2
Madison	16
Marion	2
Marshall	5
Maury	13
Mcminn	7
Meigs	1
Monroe	4
Montgomery	18
Obion	3
Overton	3
Polk	1
Putnam	16
Rhea	3
Roane	4
Robertson	10
Rutherford	35
Scott	1
Sequatchie	1
Sevier	10
Shelby	94
Smith	5
Sullivan	16
Sumner	26
Tipton	4
Unicoi	3
Union	2
Van Buren	3
Warren	5
Washington	20
Wayne	1
Weakley	1
Williamson	55
Wilson	20
Total	809

Yellow	166
Orange	132
Total	298
Percentage of Active CREAs Statewide	36.84%