

Dear Council Members:

Recently I was made aware that there are banking/lending institutions seeking appraisal waivers for the requirement for use of state certified or licensed appraisers for mortgage loans as authorized under Title XI.

It seems as though these institutions are stating that there is an appraiser shortage. This is false. There are plenty of appraisers to complete these appraisals. What there a shortage is of is those that are willing to work for paltry fees and be harassed and treated terribly. I have been an appraiser since 1993 and receive appraisal requests from AMCs and other lenders on a daily basis with a fee that is lower than what was charged in 1993 and terms that are impossible to adhere to and produce a credible appraisal. In addition, there are now technology fees that these institutions feel the appraiser should be responsible for paying when it is their technology in the first place. This is why these assignments are declined by most appraisers and why these institutions claim there is an appraiser shortage. Again, there is not an appraiser shortage, just a shortage in those that will accept these assignments for fees that do not compensate in an acceptable manner the work, experience, and skill required to produce the appraisal.

On a daily basis, I receive appraisal requests from many institutions and these assignment "opportunities" come with 10-15 pages of lender requirements and time costly stipulations for which the appraiser is supposed to comply. The work required and time to collect this "compensation" is unacceptable to nearly all professional appraisers so these institutions are now claiming that there is a shortage. This is simply not the case. The shortage is only a shortage in the number of appraisers that refuse to accept these types of assignments from these companies.

I see, on a daily basis, the attempts to manipulate values, adjustments, etc. by these institutions, Realtors and mortgage brokers. The only way to keep this process as legitimate as possible and protect the public's money is to have the independent voice of an Appraiser in the process. However, with an AMC in the equation (or any other group that is compensated by the closure of loans of any type), this becomes the issue. The borrowers are forced to pay AMC fees that double or triple the fee of an appraisal and in some cases, more than that, only to have the AMC try and seek the "quickest turn time and lowest fee" for this important service. There is a reason why appraisers were mandated to be licensed and certified many years ago (beginning with the S&L issues in the 1980's) and on through the more recent collapse of the economy that began in 2007. It is because there needs to be an impartial party in the process. This is exactly what lenders, AMCs, and brokers do not want. If these waivers are granted, it is an open door for ramped greed to take over and it will quite quickly. The AMC and lending industry just has to begin to realize that this type of behavior does and will impact them negatively. But instead, they are trying to circumvent one of the steps in the process that may put a kink in them making loans and in turn money. This is only about greed. If the ASC complies it will become the fault of the ASC when the next crash happens. It is not IF, it is WHEN.

I am shocked that this would even be considered at all in light of the more recent collapse of the real estate and banking industries that we went through in 2007-2008 which continued for several years. I

hope that the ASC will see through this false claim and realize that it is an attempt to remove a very important step in the mortgage process. If appraisals are unnecessary then too should be title insurance since they have to "wait" on that as well. But I am sure that this has not been mentioned since it would prohibit these institutions to take back these properties in the event of default.

I appreciate your time in reading this letter and hope that the right decision will be made.

Sincerely,

[REDACTED]

Indiana Certified Real Estate Appraiser

[REDACTED]

[REDACTED]

[REDACTED]