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To: [Regulatory Comments](#)
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Increasing the appraisal threshold from \$250,000 to \$1,000,000 sacrifices long-term system viability for short-term gains.

Any “evaluation” by individuals who have no appraisal licenses or certification and would not be subject to current state regulatory oversight requirements that govern appraisers. All this really does, is minimize further the integrity of collateral valuation accuracy / integrity & increase loan risk & adverse selection.

To be clear, un-licensed / certified evaluators do not, and will never, have the type of a going concern that real property appraisers do about the value of loan collateral. This is because it is appraisers, and appraisers alone, whose analyses, opinions & conclusions are directly tied to being allowed to continue their profession. If they are not valuing the collateral in an unbiased way, they eventually will lose their license.

Without a truly independent, professional collateral valuation, the door could be (and likely will be) open to riskier / bad loans in increasing quantity.

The adoption of the proposed plan would represent a return to the loan production-driven environment seen during the leadup to the 2008 financial crisis when appraisal and risk management were thrown aside to make more — not better — loans. It seems apparent, that regulators have learned nothing from that experience.