

**From:** Don Gibbs [mailto:idahoappraisal@gmail.com]

**Sent:** Monday, March 04, 2019 3:17 PM

**To:** Comments

**Subject:** Docket ID OCC-2018-0038 and RIN 3064-AE87 – Real Estate Appraisals

Dear Sirs,

I am very concerned as a consumer and a professional about the possible lowering of the appraisal threshold.

I have seen first hand the extensive flaws in AVM and Broker price opinions in both Idaho and Washington.

I have also seen first hand what Loan officers, Realtors and other people who have a lot of money to make will do when there are little or no regulations.

I am shocked to think that this could even be a possibility. In many areas, we still have not recovered from the last recession and bank bailout. This is not the right decision for the American people and consumers and or lenders. A more streamlined process is needed but this is not the correct way to go about it. I have seen a huge change in my business since the recession and the implementation of Appraisal Management Companies. You have tied our hands in so many ways. The Appraisal management companies are making the situation worse I believe. Also Please let us hire and use qualified supervised apprentices. The nations appraiser's output would be greatly improved. Appraisal management companies have driven prices for appraisals up and slowed down the process. All they do is shop for the cheapest and fastest appraisers so they maximize their profits. They have complete control of all the appraisal cash flow and they slow the process by shopping excessively. I have seen first hand them taking 30-50% or more of the appraisal fee which hurts the industry. I have also seen them first-hand shop for days and even

weeks to find a cheaper appraisal fee. All this does is slow the process and increase the fee and hurt the quality of appraisals. If the threshold is lowered, the risk and occurrences of bad and over-leveraged loans with little or no equity will increase. History shows when the industry has little or no regulation or has ways around regulations it has and will again get into trouble. AVMs and other methods of valuation can be fairly accurate in some areas, but you have no way of knowing when they are and when they are not. Unless you have large numbers of similar homes they are not accurate at all. Also, residential properties have many subjective and differing conditions, regular maintenance, quality, building code violations, safety hazards, topography, views, I could go on and on. There is too much room for error. The only way to do this accurately is to have an unbiased professional with expert knowledge in all the above factors complete a thorough inspection. Please do not lower the appraisal threshold for appraisals. Give us the tools we need such trained apprentices with supervision. Let us do our job we are the only ones who can do it accurately and safely with the least amount of risk for everyone

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Thanks for your consideration in this crucial decision.

Don

Don W. Gibbs

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