

From: James Wagner
Sent: Tuesday, January 15, 2019 12:47 PM
To: regs.comments@occ.treas.gov; regs.comments@federalreserve.gov; Comments
Subject: Real Estate Appraisals

Good Day to All,

I have just been informed that Congress just considered establishing a residential appraisal exemption and instead chose to enact a vastly different allowance involving appraisers in rural areas. This proposed rulemaking flies in the face of this action, and recreates the same type of environment that led to the housing crisis. I do not agree with this course of action.

By increasing the residential appraisal threshold from \$250,000 to \$400,000, FDIC would threaten the vital role that appraisers play in real estate transactions. This action would undermine the crucial risk mitigation services that appraisers provide clients and users of appraisal services.

Raising the threshold means more evaluations will be allowed in place of appraisals. The Appraisal Institute anticipates that will result in a return to the loan production-driven environment seen during the leadup to the financial crisis, where appraisal and risk management were thrust aside to make more – not better – loans. Apparently, the FDIC has learned nothing from that experience. Reducing regulations may seem to make sense initially, but the FDIC's announcement raises significant safety and soundness concerns that the Appraisal Institute finds deeply disturbing.

Please reconsider this course of action as I believe it will lead to another and even greater housing crisis.

Thanks,
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