

Mr. William H. Green III
49 Crescent Beach Drive
Huntington, NY 11743

December 21, 2016

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

The Honorable Janet Yellen, Chair
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue N.W.
Washington, D.C. 20551

Dear Chair Yellen:

In your statement to the Committee on Financial Services of September 28, 2016, you stated that “The (federal banking) agencies are also exploring potential options for alleviating some burdens of appraisal requirements and are actively considering proposals to simplify regulatory capital requirement for community banks.”

The appraisal organizations shown below, all of whom are Sponsors of The Appraisal Foundation, would like to request that a representative from our group be made a part of the discussions among the agencies in considering potential changes to appraisal requirements.

We understand the difficulties faced by smaller community banks in finding a qualified appraiser within the time frames defined by existing regulations. We also understand the complexities involved in finding a qualified appraiser in remote locations who can gather and analyze market data, and provide sufficient comparables to arrive at a credible value conclusion. We believe, based on conversations with community banks, that there are solutions to these issues if all involved parties participate in the discussions, and that such outcomes can be achieved without the need for full, formal government action.

We do not feel that it is in the interest of the consumer or the financial community to lower the appraisal de minimis standards for valuing properties, given that an under or over-valued property could result in severe consequences for lenders and consumers alike. Put simply, the benefits of professionally performed appraisal services are far greater than the short term “relief” some in the lending community are currently seeking.

In particular, the de minimis of \$250,000 should not be raised. While home prices have been moving up recently, September’s S&P Corelogic Case-Shiller 20-City Home Price Index indicates that the average home price in the United States is still just below \$192,000. It is clear that the existing de minimis is already substantially above the average home value. We are concerned that the safety and soundness of loans processed without suitable valuations could have a detrimental effect on the community banks involved, on organizations purchasing their paper, and on consumers in the case that the property is overvalued.

We are ready and willing to provide any and all needed intellectual capital to ensure that not only are all viewpoints considered, but that outcomes are responsive to the current concerns of the lending community.


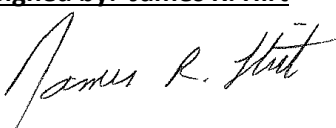






Please contact Mr. John Russell, Esq. of the American Society of Appraisers (ASA) on (703) 733-2103 who will be representing the undersigned with any questions, concerns or to establish potential meetings with the agencies. I can also be contacted at (516) 457-2829.


Sincerely,



William H. Green III, Chair of Sponsoring Organizations of The Appraisal Foundation
Chair, Sponsoring Organizations of The Appraisal Foundation
National President, Columbia Society of Real Estate Appraisers Inc.
President, Appraisal Division, Long Island Board of Realtors (LIBOR)

Cc: The Honorable Daniel K. Tarullo, Governor, Board of Governors of the Federal Reserve System
The Honorable Martin J. Gruenberg, Chairman, Federal Deposit Insurance Corp.
The Honorable Richard Cordray, Director, Consumer Financial Protection Bureau
The Honorable Thomas Curry, Comptroller of the Currency, Office of the Comptroller of the Currency
The Honorable Rick Metsger, Chairman, National Credit Union Administration
The Honorable Karen Lawson, Director, Office of Banking, MI Dept. of Insurance & Financial Services

 <p>Signed by: James R. Hirt</p>  <p>Title: Chief Executive Officer American Society of Appraisers</p>	 <p>Signed by: Stephen E. Sousa</p>  <p>Title: Executive Vice President Massachusetts Board of Real Estate Appraisers</p>
 <p>Signed by: William H. Green III</p>  <p>Title: National President Columbia Society of Real Estate Appraisers</p>	 <p>Signed by: Louis A. Bonato</p>  <p>Title: President National Association of Independent Fee Appraisers</p>



Instituto de Evaluadores de Puerto Rico
iepr.net

Signed by: Carlos Alberto Santiago-Flores



Title: President
Instituto de Valuadores de Puerto Rico



North Carolina Professional Appraisers Coalition
ncpac.org


Signed by: Archibald H. Williams




Title: Founder
North Carolina Professional Appraisers Coalition



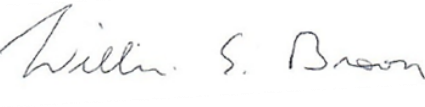
Signed by: Neil Shah



Title: Regional Managing Director, Americas
Royal Institution of Chartered Surveyors



Signed by: William E. Brown



Title: President 2017
National Association of Realtors



Signed by: Joseph M. Jackson



Title: Executive Director
International Society of Appraisers



Signed by: Linda Selvin



Title: Executive Director
Appraisers Association of America

The Most Trusted Rural Property Professionals



ASFMRA



Signed by: Brian Stockman



**Title: Executive Director
American Society of Farm Managers & Rural Appraisers**

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