

Proposal: 1639 (7100-AF30) Real Estate Appraisals

Description:

Comment ID: 133475

From: Pacific Western Bank, Rober Clark

Proposal: 1639 (7100-AF30) Real Estate Appraisals

Subject: R-1639 - Real Estate Appraisals

Comments:

Received Date: 02/04/2019

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Category: Other

Subjects: COMMENTS: REGULATORY

As a veteran appraiser and currently Chief Appraiser of an FDIC-regulated bank, I am in favor of the proposal to increase the appraisal exemption threshold for commercial real estate and rural residential transactions from \$250,000 to \$400,000 -- whereby evaluations would be required instead of appraisals. Based on CPI for All Urban Consumers, the appraisal threshold which was set in 1994 at \$250,000 would be \$431,130 today. As such, the proposed change actually reflects a decrease in risk vs. the inflation-adjusted risk profile established in 1994. Furthermore, the extension of this exemption to rural residential properties will effectively meet the needs of rural banks who are currently hamstrung by the dearth of available appraisers in many of those markets.