

Dear Representative Holvey,

My name is Karen Storm. I am a real estate appraiser with Cushman & Wakefield of Oregon. Although currently employed by a large corporation, in the past I have run a sole proprietorship appraisal firm. I am strongly opposed to HB 2501. It is unnecessary and expensive to the state, and would ultimately harm consumers by violating the public trust and exposing appraisers and the mortgage lending industry in Oregon to unacceptable and unnecessary risk.

- This bill was crafted to address a temporary imbalance of supply and demand regarding real estate appraisals and their impact on the real estate market. It seeks to add expensive and unnecessary regulation to the mortgage financing industry. These additional regulations will lead to further complication of an already heavily regulated system. Further, the market has already begun to act to correct any shortage in supply of appraisers. The number of new licensees increased in 2016, as did the number of appraiser assistants, now reaching the highest level since 2011 in both categories, as reported by the Appraiser Certification and Licensure Board.
- Section 4 (1) of the bill creates a mechanism by which Appraisal Management Companies (the middlemen who order the appraisal for the buyer or seller) could refuse payment to individual appraisers (who actually perform the appraisal) with written notice after the appraisal report was provided. This would harm individual appraisers or appraisal companies, which are nearly exclusively small businesses and sole proprietorships.
- Section 6 (3)(a) includes a small change with the addition of appraisal activity prepared by “or for” a financial institution or affiliate. This small change has a dramatic impact on the Consumer Finance regulations in the state that would leave taxpayers and publicly insured institutions at undue risk.

Please vote no on HB 2501.

Sincerely,



Karen Storm, MAI, AI-GRS
Cushman & Wakefield of Oregon, Inc.
200 SW Market Street, Suite 200
Portland, Oregon 97201