

Office of the Secretary  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W.  
Washington, DC 20580

Re: CoreLogic, Inc.  
Docket No. C-4458

April 13th, 2018

This is in regard to the continued expansion of Corelogic in the real estate financing market place. While I am generally an advocate of free trade and the ability of all businesses to expand, the expansion of this company does raise concern that it is becoming too dominate in a critical financial sector of our economy. As the US transitions into an information based economy, those who control the information can control vast sectors of the economy. There is some concern that the real estate sector can become dominated by a few large corporations, which will adversely impact hundreds of small businesses and potentially impact the safety and soundness of the real estate financial sector. This could prove very harmful in the long run.

Corelogic is increasingly imbedded in every aspect of the valuation function of residential and commercial real estate throughout the country. They are becoming the single most dominate company in a relatively small industry and this can lead to monopolistic and unfair practices that are detrimental to small valuation providers and potentially to the economy.

CoreLogic owns two of the largest appraisal management companies in the country, LandSafe and RELS. Therefore, they control who is allowed to do appraisal work for some of the largest lenders in the US. They are dominate in some market areas and can control the normal and customary fees in that market. Corelogic owns many property database firms such as REIS, Realist, AppraiserSuite, and RealQuest. Therefore, they can control the cost of information in many markets. CoreLogic provides flood zone certifications through FloodCert. and can control the availability and cost of this information. CoreLogic also owns Marshall Valuation Service, the largest source for residential and commercial construction cost data. They control the fees that appraisers, lenders, and businesses pay for this data. CoreLogic owns FNC and Mercury Network, which are two of the largest portals for appraisal ordering and transmittal to clients. They control costs for this service. Recently CoreLogic acquired A La Mode, one of the largest appraisal software companies in the country. This is an expensive subscription based service and Corelogic now controls this cost for appraisers. It is difficult and costly for appraisers to switch to alternative software. CoreLogic also has an automated appraisal review program LSAM, which is widely used by large and small lenders and appraisal management companies. They own an appraisal education company, the Columbia Institute. CoreLogic is the subject of the FTC action with regard to the purchase of DataQuick Information System.

Finally, and possibly most damaging is Corelogic also provides valuation services to major lenders. They own a major share of every sector of the entire valuation process. Lets hope they do a good job. Major institutions that are too big to fail tend to love other big corporations that control everything. Together they can create the most inventive products. A lot like they did when they created the last recession that wiped out much of middle class America.

Corelogic now is the dominate player in almost every aspect of real property valuations. They can control the ordering real estate appraisals, the data that the appraisers rely upon for their analysis, flood data, the software used to prepare the appraisals, the transmission of the final report, and reviews of appraisal reports, and they can create their own valuations. They are beginning to control the data and the entire valuation process. With few choices for data, software, and clients, the smaller valuation practices throughout the country can readily be put out of business.

The valuation of the real estate that is the basis for the residential mortgage industry is slowly being acquired by and controlled by Corelogic.

As an appraiser I am concerned that this concentration of information and power in the hands of a single company will have a significant adverse impact on small practitioners, the independence of the appraisal process, and the potential for bias.

I have owned A La Mode software for many years. I cannot readily switch to a different software provider, without significant expense. Marshall Valuation Service was the leading cost estimating source in the nation and is now required by most lenders. Corelogic controls the cost of this source data and I must pay whatever they ask to stay in practice. Many clients require that the appraisal reports be delivered via the Mercury Network, which Corelogic controls the cost. RELS appraisal management places appraisal orders. I must accept the fees they dictate, or go without work. Corelogic is very close controlling how much I can charge, how I will get my data, how much I pay for that data, how I delivery my appraisals, and ultimately how much I make.

A year ago another company CoStar bought out Loopnet, a provider of commercial data. I had been a loyal customer of Loopnet for 20 years. This data source cost approximately \$100 per month. When CoStar bought them out, they gutted the Loopnet service so there is no longer any real data or value. In order to get the same information that Loopnet provided, I must now join CoStar at a cost of over \$1,000 per month. In the data industry, the largest companies tend to buy out the smaller companies and then control all sources of data and control the market and ultimately only the large companies can afford to remain in the market.

Real estate is a data business. If this trend of consolidation of data providers continues, only the largest valuation and brokerage companies will be able to afford to remain. This will have a major and significant adverse impact on smaller rural areas, where small service providers cannot afford the high data and software fees that these large corporations demand. Large appraisal and brokerage firms can share the cost of the overhead. The small firms cannot.

Please consider whether this continued consolidation of data and control is appropriate and reasonable, or will it potentially lead to unfair practices that damage smaller communities and businesses throughout the US. I have been in the appraisal industry for 40 years. The recent consolidation of businesses who order, provide the data, control the software, and control the lender relationship has proven to be highly negative to the industry. Vendors such as Corelogic and CoStar are increasing the costs to the point where small practitioners cannot afford to stay in business. Outside of the major metro markets, the valuation industry is dominated by small practitioners. There is already a substantial appraiser shortage already. As these mega corporations grow in dominance and control of the industry, more appraisers are simply going to give up and quit. Companies step will be for companies We fund the large corporations and are left with little money to feed our families.

Regards,

  
Dean Cameron, MAI, AI-GRS, CCIM  
Cameron Consulting Inc.