

The following e-mail excerpts were released by the New York Attorney General's Office in connection with the civil case against the companies accused of participating in a scheme to inflate the appraised value of mortgaged properties.

- 9/27/06 First American Vice Chairman to First American and eAppraiseIT
“[The President of WaMu Mortgage] said that if the appraisal issues are resolved and things are working well he would welcome conversations about expanding our relationship including tax and flood.”
- 12/2/06 eAppraiseIT Chief Operating Officer to eAppraiseIT President
“We know they’re going to complain about an excessive number of low values because the majority of orders are not going to their preferred appraisers...”
- 2/22/07 eAppraiseIT President to First American
“In short, we will now assign all Wamu’s work to Wamu’s “Proven Appraisers” (bypassing our Staff and Elites, including the ones we hired from Wamu)... **Performance ratings to retain position as a Wamu Proven Appraiser will be based on how many come in on value...**”

“We have agreed to roll over and just do it...”
- 3/1/07 eAppraiseIT President to WaMu
“Recently, we have been notified that Lending would like us to use more of their “Proven Appraisers” versus appraisers off our pre-selected appraiser panel. It seems the amount of Reconsiderations of Value (ROV) requests associated with our appraisers far exceeds those initiated when a Wamu proven appraiser completes the file. **Said differently, Wamu proven appraisers bring the value in a greater majority of time with minimal involvement of the vender, sales and Appraisal Oversight.**”
- 4/4/07 eAppraiseIt Executive Vice President to eAppraiseIT
[“Do we have any obligation here to maintain adherence to perceived OTC/OCC guidelines B or is it totally the lenders responsibility?”]

“It is the lenders responsibility since the OCC/OTS only pertains to lenders. However, we as an AMC need to retain our independence from the lender or it will look like collusion. **Imagine a simple mortgage broker saying he will give us the work if we use his “proven” appraiser. We say no. This is very similar except that they are very big...** eAppraiseIT is clearly being directed who to select. The reasoning... is bogus for many reasons including the most obvious – the proven appraisers bring in the values. Fun, eh??”

- 4/17/07 eAppraiseIT President to First American
“In short, the issues are using their designated appraisers as mandated by the Wamu production force... and bypassing our panel. **We view this as a violation of the OCC, OTS, FDIC and USPAP influencing regulation.**”
- 5/17/07 First American Chief Operating Officer to First American and eAppraiseIT
“Your challenge is going to be to design a model that predominantly leverages their panel but doesn’t violate our independence which is probably easier said than done but there should be a way to figure it out.”
- 5/30/07 eAppraiseIT Appraisal Specialist to eAppraiseIT
“I was working with two good, solid long-time wonderful appraisers in NY and CT until right after the WAMU Proven panel was formed. They were both removed very soon after for no apparent reason. We were having value issues, however, I felt their work was very defensible and supportable. . . .”
- 6/7/07 WaMu First Vice President to eAppraiseIT and LSI
“Name change from “proven appraiser” and/or use of the moniker “PAL” list is discontinued, under the direction of the WaMu legal department. We are utilizing a more generic term acceptable w/in regulatory guidelines and industry standards.”

*These nine e-mails are excerpted from about 50 entered into evidence.