BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

DIVISION OF CONSUMER AND COMMUNITY AFFAIRS

DATE: October 28, 2010

TO: Dodd Frank Meetings Docket

FROM: Federal Reserve Board Staff

SUBJECT: Docket No. R-1394 – Valuation Independence Interim Final Rule (12 CFR 226.42)

Summary of Public Input

To prepare the interim final rule implementing the appraisal independence requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act[1] (the Act), Board staff conducted a series of conference calls with interested parties and distributed a questionnaire to conference call participants as well as to other interested parties, including state appraiser licensing and certifying agencies.[2] *See* Attachment A. A diverse group of individuals representing a wide range of views participated in the calls. *See* Attachment B.

This memorandum summarizes the views expressed during conference calls with the Board and in written responses to the Board's questionnaire. The responses are divided below according to the provisions of the Truth-in-Lending Act (TILA) added by the Act that were implemented in the interim final rule.

TILA Section 129E(a), "In General" and (b), "Appraisal Independence"

(a) In General.--It shall be unlawful, in extending credit or in providing any services for a consumer credit transaction secured by the principal dwelling of the consumer, to engage in any act or practice that violates appraisal independence as described in or pursuant to regulations prescribed under this section.

(b) Appraisal Independence.--For purposes of subsection (a), acts or practices that violate appraisal independence shall include--

(1) any appraisal of a property offered as security for repayment of the consumer credit transaction that is conducted in connection with such transaction in which a person with an interest in the underlying transaction compensates, coerces, extorts, colludes, instructs, induces, bribes, or intimidates a person, appraisal management company, firm,

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[1] Pub. L. 111-203, 124 Stat. 1376, 2187 (Section 1472 of the Act, adding TILA Section 129E, 15 U.S.C. 1639e).

[2] Board staff members conducting conference calls included Kathleen C. Ryan, Jamie Z. Goodson, and Lorna M. Neill, Division of Consumer and Community Affairs; Virginia Gibbs, Division of Banking Supervision and Regulation; Walter McEwen and Will C. Giles, Legal Division.

or other entity conducting or involved in an appraisal, or attempts, to compensate, coerce, extort, collude, instruct, induce, bribe, or intimidate such a person, for the purpose of causing the appraised value assigned, under the appraisal, to the property to be based on any factor other than the independent judgment of the appraiser;

(2) mischaracterizing, or suborning any mischaracterization of, the appraised value of the property securing the extension of the credit;

(3) seeking to influence an appraiser or otherwise to encourage a targeted value in order to facilitate the making or pricing of the transaction; and

(4) withholding or threatening to withhold timely payment for an appraisal report or for appraisal services rendered when the appraisal report or services are provided for in accordance with the contract between the parties.

Major concerns raised by participants about these provisions were that certain terms in TILA Section 129E(b) needed clarification. For example, several participants raised concerns regarding the prohibition on "instructing" or "inducing" an appraiser to base a conclusion of value on anything but the appraiser's independent judgment. According to some participants, the terms "instruct" and "induce" should not be interpreted to mean that creditors cannot criticize an appraiser's report in order to improve the quality and accuracy of the next report submitted by that appraiser. Others requested that the interim final rule clarify that giving an appraiser a copy of the home purchase contract is not "inducing" the appraiser not to use independent judgment in violation of TILA. A few participants expressed the opposite view regarding the home purchase contract, arguing that providing the sales contract to the appraiser is a form of indirect coercion and should be banned.

Questions were also raised about the meaning of the prohibition on "compensating" an appraiser. Several participants expressed the view that the interim final rule should clearly permit paying an appraiser higher compensation for a more difficult assignment. Others pointed out that creditors may reasonably reduce or withhold an appraiser's compensation for failing to meet contractual obligations, such as for missing the deadline for submitting the appraisal report.

Another issue raised was whether the interim final rule should prohibit coercion and conflicts of interest in *any* method of valuing a property for a consumer credit transaction, or solely in appraisals conducted by state-licensed or state-certified appraisers. Most participants agreed that broker price opinions (BPOs) and other types of valuations performed by persons who are not state-licensed or state-certified should be covered by the interim final rules, in order to protect consumers in home-secured consumer credit transactions for which appraisals are not required or performed. Others disagreed, stating that BPOs are based more on automated and electronic data than appraisals, and thus afford fewer opportunities for coercion than appraisals. Similarly, it was argued that automated valuation models (AVMs) should not be covered because they are derived from objective, electronic data, and thus are not subject to coercion.

In general, participants agreed that appraisal independence should apply to all dwelling-secured consumer credit transactions, whether secured by a consumer's principal dwelling or a second home. Several participants pointed out, however, that if the interim final rule applies only to loans secured by the consumer's principal dwelling, for ease of compliance creditors likely will comply with the appraisal independence provisions for all dwelling-secured credit transactions.

Participants agreed that the examples of prohibited conduct provided in TILA Section 129E(b) and Regulation Z, 12 CFR 226.36(b), were appropriate and helpful, and should be included in the interim final rule.

TILA Section 129E(c), "Exceptions"

(c) Exceptions.--The requirements of subsection (b) shall not be construed as prohibiting a mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, consumer, or any other person with an interest in a real estate transaction from asking an appraiser to undertake 1 or more of the following:

(1) Consider additional, appropriate property information, including the consideration of additional comparable properties to make or support an appraisal.

(2) Provide further detail, substantiation, or explanation for the appraiser's value conclusion.

(3) Correct errors in the appraisal report.

Participants generally supported including in the interim final rule the illustrative list of expressly permitted conduct provided in TILA Section 129E(c), as well as permitted conducted listed in Regulation Z, 12 CFR 226.36(b)(1)(ii). Some stated that the Home Valuation Code of Conduct (HVCC)[3] resulted in confusion about both who could communicate with the appraiser and what types of communication are permissible. This reportedly delayed or prevented resolution of technical issues and questions regarding appraisal reports.

Several participants requested that the interim final rule make clear that loan production staff can communicate with appraisers about particular issues related to the quality and accuracy of the appraisal. Similarly, others stated that lines of communications between loan originators and appraisers that do not involve coercion but help ensure accurate appraisals are needed. For example, participants pointed out, sometimes basic elements of the appraisal are wrong – the property is inaccurately described or the sale date is inaccurate. Participants argued that it is inefficient if only the underwriter is able to communicate with the appraiser.

TILA Section 129E(d), "Prohibition on Conflicts of Interest"

(d) Prohibitions on Conflicts of Interest.--No certified or licensed appraiser conducting, and no appraisal management company procuring or facilitating, an appraisal in connection with a consumer credit transaction secured by the principal dwelling of a consumer may have a direct or indirect interest, financial or otherwise, in the property or transaction involving the appraisal.

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[3] "Home Valuation Code of Conduct," available at http://www.fhfa.gov/webfiles/2302/HVCCFinalCODE122308.pdf.

Several participants informed Board staff that many persons subject to the HVCC mistakenly believed that the HVCC required the use of AMCs to order and manage appraisals. All participants agreed that creditors have increased the use of AMCs since the HVCC took effect, in part due to a concern about whether they could successfully implement the internal firewalls separating loan staff and the appraiser that the HVCC otherwise required. Several participants, however, stated that they had concerns about the quality of AMC-ordered appraisals, stating in particular that AMCs often seem to select appraisers based solely on price and turnaround time, without regard to the appraisers' knowledge of the local market in which the property is located. State regulators responding to the Board's questionnaire reiterated these concerns.

Many participants requested that the interim final rule include provisions that allow in-house appraisers to perform and order appraisals, as long as clearly defined structural separation of appraisal staff from loan production exists. A number of participants stated that the firewalls and safeguards required by the HVCC have worked well in ensuring appraiser independence for institutions that chose to implement those rather than outsource appraisal management to AMCs. Some expressed the view that in-house appraisals tended to be of better quality than appraisals performed and ordered by independent third parties. Representatives of small institutions stressed, however, that some exemptions from any firewall provisions for smaller institutions were also critical.

Similarly, some participants expressed concerns that entities affiliated with a creditor might be considered to have an "indirect" interest in the transaction solely due to the affiliation. In addition, several participants requested that the interim final rule clarify that AMCs that also provide title services or other settlement services do not have an "indirect" interest in the property or the transaction as long as certain safeguards are in place.

On the other hand, a few participants expressed concerns about arrangements in which an AMC is affiliated with the creditor, arguing that in these cases the appraisal function is not truly independent. Concerns were also expressed that when creditors and AMCs are affiliated, the creditor's review of appraisals is lax. These participants stressed that requirements for creditors' appraisal reviews should be adopted.

TILA Section 129E(e), "Mandatory Reporting"

(e) Mandatory Reporting.--Any mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, or any other person involved in a real estate transaction involving an appraisal in connection with a consumer credit transaction secured by the principal dwelling of a consumer who has a reasonable basis to believe an appraiser is failing to comply with the Uniform Standards of Professional Appraisal Practice, is violating applicable laws, or is otherwise engaging in unethical or unprofessional conduct, shall refer the matter to the applicable State appraiser certifying and licensing agency.

Participants expressed several concerns regarding the requirement to report appraisers to the state appraiser licensing agency. Some stated that this requirement could create undue burdens on small banks and credit unions, and noted that many individuals and institutions with a duty to report may not know what actions violate the Uniform Standards of Professional Appraisal Practice (USPAP), or state or federal law.

Many participants voiced concerns that the requirement to report appraisers for "unethical or unprofessional" conduct was too broad. They emphasized that the interim final rule should require reporting only of material misconduct, to prevent state appraiser certifying and licensing agencies from being overwhelmed with reports. To further prevent frivolous reporting, several participants also suggested that the interim final rule require a person reporting misconduct articulate reasonable, fact-based grounds for alleging that misconduct has occurred.

Some participants pointed out that an appraiser violation may not be apparent until a few years after consummation, such as when a borrower defaults and an investigation is conducted. They therefore suggested that the interim final rule include provisions regarding the required timing for reporting, such as a reasonable time after *knowledge* of a violation or potential violation, rather than after the violation or potential violation actually occurred.

A few creditors expressed concerns that the mandatory reporting requirement exposed reporting parties to defamation liability. These participants requested that the interim final rule incorporate a provision that would protect persons who comply with the mandatory reporting requirement from defamation suits.

Some participants also requested that the interim final rule clarify that persons required to report not include investors or other "post-closing" parties, but only parties involved in *originating* a loan.

Finally, several participants raised questions about the point at which a person must report an appraiser to the state. They pointed out that, typically, creditors go back to the appraiser when problems arise and try to resolve them before reporting the appraiser to the state. Even before that final action, or in lieu of it, a creditor might remove the appraiser from the approved appraiser list.

<u>TILA Section 129E(f), "No Extension of Credit"</u>

(f) No Extension of Credit.--In connection with a consumer credit transaction secured by a consumer's principal dwelling, a creditor who knows, at or before loan consummation, of a violation of the appraisal independence standards established in subsections (b) or (d) shall not extend credit based on such appraisal unless the creditor documents that the creditor has acted with reasonable diligence to determine that the appraisal does not materially misstate or misrepresent the value of such dwelling.

Creditor representatives generally stated that they had not had much experience with this provision, which is already included in Regulation Z, 12 CFR 226.36(b)(2). Regarding what it means to exercise "reasonable diligence" to establish that a potentially compromised appraisal was nonetheless accurate, a few participants stated that obtaining an automated valuation model (AVM) generally should be sufficient. Others, however, stated that an AVM could be a useful check in some transactions, but that another appraisal would be better overall. A few participants expressed the view that it would be imprudent to use an AVM to confirm the value, arguing that AVMs are not as reliable as another appraisal. Representatives of Fannie Mae and Freddie Mac stated that Fannie Mae and Freddie Mac generally would require a second appraisal if there is any indication of coercion.

Several participants stated that the cost of a second appraisal if the first one has been compromised is typically directly passed on to the consumer. A few expressed the view that a consumer should not be "penalized" by a creditor's failure to "properly" manage the appraisal process; hence the cost of a second report should be absorbed by the creditor. Others pointed out that even if the cost of a second appraisal is not directly passed on to the consumer, the extra cost will indirectly be passed on to all consumers to cover the creditor's overhead costs.

TILA Section 129E(i), "Customary and Reasonable Fee"

(i) Customary and Reasonable Fee.—

(1) In general.-- Lenders and their agents shall compensate fee appraisers at a rate that is customary and reasonable for appraisal services performed in the market area of the property being appraised. Evidence for such fees may be established by objective third-party information, such as government agency fee schedules, academic studies, and independent private sector surveys. Fee studies shall exclude assignments ordered by known appraisal management companies.

Appraiser representatives' major concerns were that, since the HVCC took effect, AMCs have come to dominate the market and pay fees to appraisers that are unreasonably low. Many participants stated that the customer base for appraisers is almost exclusively AMCs and that appraisers do not have leverage to negotiate fees. As a result, appraisal assignments are given to the lowest-cost appraiser, without regard for appraisal quality.

Concerns were also raised that appraisers have trouble getting paid on time through AMCs and that neither appraisers nor consumers are aware of how the overall cost of an appraisal is divided between the appraiser and the AMC. Anecdotally, appraiser representatives and state regulators stated that consumer costs for appraisals ordered through AMCs are higher than for appraisals ordered directly from the appraiser and that appraisal costs for consumers generally have risen since the HVCC took effect. Some appraiser representatives and one state regulator requested that the interim final rule require creditors and AMCs to rely on published fee studies, such as the Veterans Administration (VA) fee schedules, to determine how much to pay the appraiser.

On the other hand, AMC and some creditor representatives expressed a preference for the FHA approach to its requirement that fee appraisers be paid "customary and reasonable" fees, which is oriented toward letting the market decide. They stated that AMCs have not raised their fees post-HVCC because they are still competing with other AMCs for creditors' business, and that consumer costs have not been materially impacted. They also expressed concerns that existing fee studies do not establish "customary and reasonable" rates for appraisal services, in part because they do not differentiate between the costs of performing the appraisal and the costs of managing the appraisal process. In addition, some AMC and creditor representatives noted that the VA fee schedules, for example, are a benchmark for the highest rate that *could* be charged in a given state, not the rate that is "customary and reasonable," and that they are intended for a distinct appraisal product (appraisals for VA loans), not average appraisals. They also argued that existing fee studies do not account for the different risk management levels and associated scope of work variations in the appraisal for different transactions.

In addition, AMC and creditor representatives stated the view that the result of requiring that fee appraisers be paid "customary and reasonable" rates would likely be that consumers would have to pay more for appraisals, because AMCs would still need to charge for the appraisal management services they provide, in addition to the charge for the appraisal itself. They stated that the interim final rule should not address the "customary and reasonable" fee provision because the Board needed to gather and assess more information.

Participants generally agreed that multiple factors contribute to the cost of appraisal services, and can vary greatly from area to area. These include the availability of comparables and public records; distances traveled; costs of cable, phone, and gas; as well as the experience, education and licensing/certification designations of the appraiser. Some stated that prices should be quoted on a per job basis in some areas. A few participants noted, for example, that rural properties are often unique and the appraiser may have to do more work than he or she would for an urban or suburban property.

Federal Reserve Board **Attachment A**
Outreach Questions – Appraisal Independence
September 2010

Outreach Questions for Interim Final Rule on Appraisal Independence (TILA § 129E)

The Board is required by the Dodd-Frank Reform Act (the Act) to issue, within 90 days of the date of the Act's enactment (July 21, 2010), an Interim Final Rule implementing § 1472 of the Act. Section 1472 adds a new § 129E to the Truth in Lending Act (TILA), entitled "Appraisal independence requirements."

To assist the Board in drafting these rules, Board staff is conducting a series of outreach meetings. These questions are intended to guide our discussion during our meeting with you. If there are other issues you would like to raise during our discussion, we welcome your views.

Background

1. How has the process of ordering, obtaining, and paying for an appraisal changed since the Home Valuation Code of Conduct (HVCC) and the Board's appraiser coercion rules under Home Ownership and Equity Protection Act (HOEPA) (12 C.F.R. § 226.36(b), available at http://edocket.access.gpo.gov/2008/pdf/E8-16500.pdf) became effective?

2. Do lenders have different collateral valuation processes for different types of home-secured loan transactions, such as HELOCs v. closed-end mortgages, or first-lien mortgages v. second-lien mortgages? If yes, please explain. How, if at all, should these different processes be taken into account in drafting the rules required by the Act?

3. What are key "lessons learned" from implementation of the HVCC and the HOEPA appraiser coercion rules in 12 C.F.R. § 226.36(b) that you think the Board should keep in mind in drafting the Interim Final Rule? In addition to problems you have encountered, if any, what do you think are the positive aspects of the HVCC and the HOEPA rules?

Covered parties

4. New § 129E(b) states that an act or practice that violates appraiser independence includes "any appraisal . . . in which *a person with an interest in the underlying transaction* compensates, coerces, extorts, colludes, instructs, induces, bribes, or intimidates" anyone involved in conducting the appraisal.

Is the statutory language sufficiently clear regarding who is covered, or does the Board need to provide additional guidance?

Covered transactions

5. New § 129E applies to acts or practices related to appraisals for "consumer credit transactions secured by the principal dwelling of the consumer." This is a broad class of transactions. Are there any types of home-secured consumer credit transactions for which appraiser independence is not a concern?

Definitions – appraiser, appraisal, appraisal management company

6. The Act does not define "appraiser" or "appraisal" for purposes of new TILA § 129E. In Board regulations implementing consumer protection statutes such as HOEPA and the Equal Credit Opportunity Act (ECOA), the meaning of these terms is broader than state-licensed or -certified appraisers and formal appraisals (defined, for example, in 12 C.F.R. §§ 226.36(b)(3) and 225.61(a), respectively).

Regulation Z (implementing TILA). The Board adopted a definition of "appraiser" in its 2008 HOEPA rulemaking, as follows: "a person who engages in the business of providing assessments of the value of dwellings. The term 'appraiser' includes persons that employ, refer, or manage appraisers and affiliates of such persons." 12 C.F.R. § 226.36(b)(3).

Regulation B (implementing ECOA). Regulation B defines an "appraisal report" – a copy of which the consumer is entitled upon request – as "the document(s) relied upon by a creditor in evaluating the value of the dwelling." 12 C.F.R. § 202.14(c). Commentary to Regulation B states that "appraisal reports" include reports of value prepared by appraisers who are certified or licensed as well as those who are not. See comments 14(c)-1 and -2. ECOA's requirement to provide the consumer with a copy of the "appraisal report" upon request has generally been interpreted to include "evaluations" (*see* 12 C.F.R. § 225.63(b)) and the valuation methods used to support them, such as broker price opinions (BPOs) and automated valuation models (AVMs).

These definitions of "appraiser" and "appraisal report" reflect the Board's recognition that TILA and ECOA are consumer protection statutes intended to provide the broadest consumer protection possible, consistent with institutional safety and soundness.

Congress determined that the new appraiser independence requirements belong in TILA, which, as noted, is a consumer protection statute. Is there any reason that TILA § 129E should nonetheless diverge from existing Regulations Z and B and cover only, for example, formal appraisals and state-licensed or -certified appraisers?

7. The Act does not define "appraisal management company." Is guidance needed regarding the meaning of this term?

Prohibited practices

8. New TILA § 129E(b)(1) states that an act or practice that violates appraiser independence includes "any appraisal . . .in which a person with an interest in the underlying transaction *compensates, coerces, extorts, colludes, instructs, induces, bribes, or intimidates*" anyone

involved in conducting the appraisal. Substantially similar language exists in the HVCC, along with 10 examples of prohibited conduct. The Board's appraiser coercion rule also includes several examples of prohibited conduct.

Should the Board consider providing definitions of these terms (note that if the Board's regulation does not define a term, then the term is deemed to have the meaning given it under applicable state law or contract), or is providing examples of prohibited conduct sufficient for the rules?

Of the examples of prohibited conduct listed in the HVCC and the Board's rule, which should the Board consider including or excluding in drafting rules under § 129(E)(b)(1)? Should the Board consider any additional examples of prohibited conduct under § 129E(b)(1)?

9. New § 129E(b)(2) – (4) describes three other practices that violate appraiser independence. Should the Board be aware of any questions or concerns raised by inclusion of these additional practices?

10. New § 129E(c) lists three practices that are expressly permitted. Should the Board be aware of any questions or concerns raised by this subsection? Should the Board consider any additional examples of conduct that is *not* prohibited?

<u>Prohibition on conflicts of interest</u>

11. New § 129E(d) prohibits any appraiser or appraisal management company involved in conducting, procuring or facilitating an appraisal from having a direct or indirect interest in the transaction involving the appraisal.

Does this prohibition raise compliance concerns for institutions of a particular size or type (*e.g.*, depository v. nondepository)? The HVCC, for example, permits in-house appraisers to conduct appraisals if the lender has certain firewalls and safeguards in place to protect the appraiser's independence from loan production staff. The HVCC further exempts "small banks" (having assets of $250M or less) from the conflict of interest provisions (HVCC § IV) entirely.

<u>Mandatory reporting</u>

12. New § 129E(e) requires any person involved in a home-secured consumer credit transaction who has a "reasonable basis to believe" that an appraiser is violating the Uniform Standards of Professional Appraisal Practice (USPAP) or state or federal law, or is otherwise acting unethically or unprofessionally, to refer the matter to the applicable state appraiser certifying and licensing agency.

Should the Board be aware of any questions or concerns raised by this subsection? Is the statutory language sufficiently clear, or is additional clarification needed?

No extension of credit

13. New § 129E(f) codifies a requirement adopted by the Board in its 2008 HOEPA rulemaking (12 C.F.R. § 226.36(b)(2)): a creditor who "knows, at or before loan consummation," of violations of appraiser independence rules committed in relation to the appraisal, may not extend credit based on the appraisal unless it has acted with "reasonable diligence" to ensure that the appraisal is accurate. Board commentary provides that "reasonable diligence" may be achieved by obtaining another appraisal.

What has been creditors' experience with this rule so far? Is additional guidance needed? For example, would using the results of an AVM be sufficient to ensure that the appraisal is materially accurate and that consumers are protected from potential value distortions created by violations of appraiser independence rules?

Is the cost of obtaining a second appraisal to qualify for the "reasonable diligence" safe harbor typically passed on to the consumer or absorbed by the lender?

Customary and reasonable fee

14. New § 129E(i) requires that "lenders and their agents" compensate "fee appraisers at a *rate that is customary and reasonable* for appraisal services performed in the market area of the property being appraised." Evidence for "customary and reasonable" rates may be based on "objective, third-party information, such as government agency fee schedules, academic studies, and independent private sector surveys. Fee studies shall exclude assignments ordered by known appraisal management companies."

What guidance or clarifications should the Board consider that would facilitate compliance with the requirement that lenders and their agents compensate fee appraisers at a rate that is customary and reasonable?

Are you aware of studies and information sources that would meet the requirements for appropriate evidence of "customary and reasonable" rates? In particular, are you aware of sources that take into account geographical variations? Are there any suitable sources that are updated regularly?

Do you have experience with the FHA guidance on this point? With the VA fee schedule for appraisers? What "lessons" can we take from the government programs as we develop a draft rule?

To what extent do lenders use AMCs and "fee appraisers," as defined in new § 129E(i)(2), to perform appraisals? What trends do you see for the future?

How do lenders and AMCs engage fee appraisers? What are their criteria for including a fee appraiser on a list of approved appraisers or similar list (*e.g.*, price, qualifications, turnaround time, quality)? What are their criteria for selecting and compensating a fee appraiser for a particular transaction?

Have appraisal prices that consumers must pay changed since the HVCC went into effect? In general, do consumers have to pay higher or lower prices for AMC-ordered appraisals than other appraisals?

If available, please provide data on the cost differences for appraisals based on factors such as the scope of work, type of transaction, and source of the appraisal.

If available, for appraisals ordered through an AMC or conducted through a lender's in-house collateral value function, please provide data breaking down costs to conduct the actual appraisal and associated management costs for the past three years.

Federal Reserve Board **Attachment B**
Conference Call Participants – Appraisal Independence
Sept./Oct. 2010

Conference Calls on Appraisal Independence with Federal Reserve Board Staff

Sept. 8, 2010

Participants: Daniel Drelich and Peter Vidi (American Guild of Appraisers); John Russell and Peter Barrish (American Society of Appraisers); John Brennan (Appraisal Foundation), Bill Garber (Appraisal Institute); Brian Quinlan (Capital One); Joan Trice (Collateral Risk Network); Jerry Jones (National Association of Independent Fee Appraisers); Ian Coates (National Association of Independent Housing Professionals); Joseph Ventrone (National Association of Realtors); Steven Linville (National Association of Home Builders); Kevin Hacke (Smith Bucklin); Tony Pistelli (US Bank)

Kathleen Ryan, Lorna Neill, Jamie Goodson, Virginia Gibbs, Walter McEwen, Will Giles (Federal Reserve Board)

Sept. 9, 2010

Participants: Robert Murphy (Fannie Mae); Jacqueline Doty (Freddie Mac); Alfred Pollard, Eric Dawes, Ming-Yuen Meyer-Fong (Federal Housing Finance Agency)

Kathleen Ryan, Lorna Neill, Jamie Goodson, Virginia Gibbs, Walter McEwen, Will Giles (Federal Reserve Board)

Sept. 10, 2010

Participants: Rod Alba and Mark Tenhundfeld (American Bankers Association); Daniel Crowley, David Feldman, Dan Hackman, Nancy Weissgold (Coalition to Facilitate Appraisal Integrity Reform); Steve Zeisel (Consumer Bankers Association); Anne Canfield, Christine Harrington, William Sherakas (Consumer Mortgage Coalition); Michael Carrier and Ken Markison (Mortgage Bankers Association); Don Kelly and Jack Konyk (Real Estate Valuation Advocacy Association); Bernard Mason (Risk Management Association); Don Blanchard and Jeff Shurman (Title Appraisal Vendor Management Association); Paul Leonard, Housing Policy Council

Kathleen Ryan, Lorna Neill, Jamie Goodson, Virginia Gibbs, Walter McEwen, Will Giles (Federal Reserve Board)

Federal Reserve Board **Attachment B**
Conference Call Participants – Appraisal Independence
Sept./Oct. 2010

Sept. 13, 2010

Participants: Jeffrey Bloch (Credit Union National Association)

Kathleen Ryan, Lorna Neill, Jamie Goodson, Virginia Gibbs, Walter McEwen, Will Giles (Federal Reserve Board)

Sept. 14, 2010

Participants: Michael Anderson, John Councilman, and Roy DeLoach (National Association of Mortgage Brokers)

Kathleen Ryan, Lorna Neill, Jamie Goodson, Virginia Gibbs, Walter McEwen, Will Giles (Federal Reserve Board)

Sept. 15, 2010

Participants: Kathleen Keest (Center for Responsible Lending); David Berenbaum (National Community Reinvestment Coalition); Margot Saunders (National Consumer Law Center)

Lorna Neill, Jamie Goodson, Virginia Gibbs, Sviatlana Phelan, Will Giles (Federal Reserve Board)

Sept. 17, 2010

Participants: Ann Grochala (Independent Community Bankers of America); Carrie Hunt and Tessema Tefferi (National Association of Federal Credit Unions)

Kathleen Ryan, Virginia Gibbs, Walter McEwen, Will Giles (Federal Reserve Board)

Sept. 24, 2010

Participants: David Hathaway and Laura Nieber (Bank of America); Kevin McMillan, Tobias Moon, and Laura Rogers (Landsafe Appraisal Services, Inc.)

Kathleen Ryan, Lorna Neill, Jamie Goodson, Virginia Gibbs, John Caldwell, Walter McEwen, Will Giles (Federal Reserve Board)

Federal Reserve Board **Attachment B**
Conference Call Participants – Appraisal Independence
Sept./Oct. 2010

October 5, 2010

Participants: Michael Stephens (Conference of State Bank Supervisors)

Kathleen Ryan, Virginia Gibbs, Walter McEwen, Will Giles (Federal Reserve Board)