



August 29, 2013

Monica Jackson
Office of the Executive Secretary
Bureau of Consumer Financial Protection
1700 G Street NW
Washington, DC 20552

Re: Docket No. CFPB-2013-0020

Thank you for the opportunity to provide additional comment on the proposed appraisal rules for higher priced mortgage loans. Genisys wishes to provide comments on two of the questions under consideration.

Further comment has been requested on the possible exemption from the appraisal rules in cases where a refinance is designed to move a borrower into a more stable or affordable mortgage plan. Not providing this exemption will result in increased costs for both the mortgagor and mortgagee that would unnecessarily hinder an improved payment plan protecting the interests of both parties. At the point that such a "refinance" would occur, the value of the home is not the primary determinant in whether or not the original term of the loan should be restructured. Agreements to modify or restructure the original terms are important steps in reducing foreclosures and further delinquency. If some valuation model is required, a drive-by appraisal to ensure that the home still stands and in reasonable condition seems far more prudent in these situations.

In addition, we urge the Board to consider a higher threshold for the small loan exemption. The cost of originating and processing loans under \$50,000 generally exceeds the origination fees. Setting the exemption limit at just \$25,000 will make it difficult for originators to provide loans for certain amounts up to the break-even point for loan origination. This will potentially cut off lending to lower income applicants in areas where property values have fallen off and many homes are being purchased for low values. We suggest using the \$50,000 threshold which would also be consistent with the HOEPA coverage test thresholds for determining the high-cost mortgage classification.

Thank you for your consideration.

Sincerely

A handwritten signature in black ink, appearing to read "Tom H. Alter", written over a light blue horizontal line.

Thomas H. Alter
Senior Vice President, Research & Development
248-322-9800
talter@genisyscu.org