

From: Jason R Haskell  
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Comments:

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Name: Jason R Haskell  
Affiliation:  
Category of Affiliation:  
Address:  
City:  
State:  
Country: UNITED STATES  
Zip:  
PostalCode:

Comments:

To whom it may concern, I have been appraising since October 1991. At that time, appraisal fees for a typical average residential property were \$350. Soon after I began appraising we raised fees to \$400, with additional charges for acreage properties, rural properties, complex properties etc. Fee remained at that level for over 15 years, until the implementation of HVCC decimated the industry. All appraisers I know can share a similar story. How many other industries saw their fees stagnate for over a decade. Then along comes the HVCC and we are forced to CUT those already stagnant fees another 50% in many cases! What other industry would stand for such an outrage? Now add in the fact that many of the largest players in the AMC game are simply divisions of the large banking institutions of this country (Wells Fargo, Bank of America, etc...) and appraisers outrage is only magnified. These AMC's run by Banks are not independent. They have a vested profit incentive to gouge us as deeply as they can, and the HVCC and now Dodd-Frank are allowing it to happen. What a perfect scam for the AMC/Bank....charge the same on the HUD-1, but steal half of it back for our AMC fee and don't tell the consumer. What a racket! This doesn't even touch on the myriad of other unintended consequences of the legislation (destroying local business contacts/relationships built up over 20 years, good appraisers leaving the profession in droves, general apathy in the appraiser community due to the destruction and takeover of out livelihood). The solutions are fairly simple... 1. Customary AND Reasonable fees. This must be clearly stated with no ambiguity and no loopholes for the AMC's. Fee's must be disclosed separately for the consumer as appraisal fee and AMC fee. The AMC's cannot argue that the fees being paid now are customary because they in effect have a monopoly on the market. 90% of residential appraisal work comes through the AMC's and they dictate the fee. They will tell you that appraisers are fee to charge whatever they want, however what they don't tell you is unless you conceded to their 50% fee schedule you will never receive an appraisal assignment. This is a coercive tactic and simply

trades one problem (lender pressure for values) for another (withholding work unless you stipulate to work for a lowball fee). 2. The legislation does nothing to address quality of appraisals. The AMC's will tell you that appraisal quality is at an all time high. This is patently false. If a quality report means everything is spelled correctly and 30 "boilerplate" statements have been included to cover every possible regulation under the sun, then sure appraisals are impeccable now. But what the AMC's aren't telling you is that their review process has almost nothing to do with providing the consumer a defensible VALUE. The reports that come from these AMC may be pretty and spelled right and have pages and pages of canned statements they require, but none of those things address the core of an appraisal...is the value supported. Quality appraisals are at an all time low because appraisers are spending half of their time, trying to figure what new canned statements AMC XYZ is requiring in all of their reports. We have become form fillers only and from my review appraisal volume I can tell you appraisals are not higher quality now in terms of correct valuations. The AMC's have done nothing to improve appraisal quality. 3. Turn Time Requirements/Other Assignment Conditions. This is an often overlooked problem with HVCC and AMC's in general. The appraisal process can be broken down into a triangle of Quality, Fee and Turn Time. You cannot have all three sides of the triangle in a single assignment. The AMC's want low fee and quick turn time. Well the end result of that scenario is low quality. If you add Quality into the mix, then you can either have a quality report quickly (but it should cost a fortune) or you can have a quality report cheaply (but it may take forever for the assignment to be finished). The AMC's think they are getting all three, but the truth is, all appraisers are cutting corners to give them cheap and fast. Appraisal assignments today with the explosion of new form requirements and new government regulation, take anywhere from 1 to 4 hours longer than they did prior to HVCC. Appraisers often have dozen page assignment condition's on each order, that change from job to job and AMC to AMC. We cannot possibly remember every nuance of every random assignment condition from dozens of different AMC's. Appraisers need ALOT more time to complete an appraisal today and we are threatened with loss of work or loss of quality rating by the AMC if we don't get assignments completed in an unrealistically short time frame for an unrealistically low fee. Again this is simply a new form of coercion that has replaced the lender value pressure of the past. Appraisers must be given thtime necessary to produce a quality report and be paid fairly for that time and effort. The bottom line in all of this is the HVCC and now Dodd-Frank has simply traded one problem for another. Only this time, the problem is going to force the good appraisers out of the business and you will be left with unqualified appraisers who cut corners to meet unrealistic fee and turn time requirements. I personally know four good appraisers who have left the profession as a result of these regulations. Get the big banks out of the AMC business and get appraisers a fair fee with fair assignment conditions or all this mess will continue to be a mess. Fix the problems now before there are no more good appraisers left!