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Kathlene Ryan
Senior Counsel
Division of Consumer and Regulatory Affairs
Federal Reserve Board
Washington, DC 20551

November 25, 2010

Dear Kathlene Ryan:

It has come to my attention through my local appraisal group that the TAVMA group is working to convince the Federal Reserve to “not recognize the VA fee schedule” as the beginning basis for customary and reasonable fees.

Simply put; if one truly understands the amount of education needed to become an appraiser, the increasing time it takes to produce a creditable report and the ever increasing liability thrust upon the appraiser, they would wonder why a person would ever want to become an appraiser. It is my opinion that even the VA fee schedule at \$350 for a report that takes 6 to 10 hours to produce is still insufficient for our efforts.

As a 30 year veteran in the appraisal industry I urge the Federal Reserve not to bend to the lobbying pressures of the TAVMA.

Sincerely,


Randall P. Cain, RAA

Kathleen Ryan, Senior Counsel
Division of Consumer and Regulatory Affairs
Federal Reserve Board
Washington, DC 20551

I just wanted to take a moment to express my concerns regarding the issue of customary and reasonable fees for real estate appraisers.

If professional Real Estate Appraisers continue to have their fees dropped and be treated as the least important piece of the mortgage-lending puzzle, we will see not only the number of appraisers dwindle due to the inability to support their families, but we will also see a drastic decline in the quality of appraisals provided to lenders as our importance has been minimized.

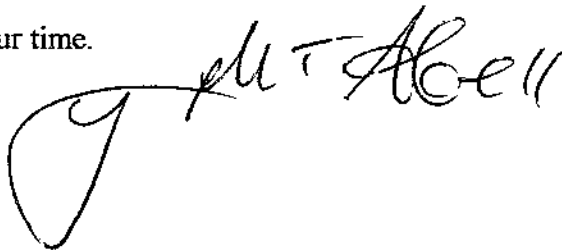
It is absolutely imperative that the VA schedule be implemented as the standard for "customary and reasonable" fees. We simply cannot sit by and watch Appraisal Management Companies gouge the appraisers who are the ONLY unbiased party involved in the mortgage transaction. It is our job to "hit the brakes" and prevent banks and lenders from being "fooled" and "misled" regarding the value of a property. Without us, banks will soon suffer a tragic collapse.

I believe AMCs provide an important service as the buffer between lenders and appraisers. Before AMCs, many appraisers were at the mercy of mortgage brokers who hired them directly and then pressured them into "hitting the magic number" so a loan will work. If the appraiser didn't hit that magic number, then the appraiser didn't receive any more work from that mortgage broker. However, the AMCs, as a necessary entity, MUST be regulated and be forced to pay legitimate fees to the appraisers who are here to protect the lenders and banks.

Think of it this way, if your insurance company was allowed to tell you which doctor to go to, they would choose the "cheapest" doctor they could find correct? Does that mean this doctor is the "most qualified" and experienced doctor and thus the one you, the consumer, would choose to save your life? The most experienced and "best" doctors would soon find a new profession as they are getting no work and are unable to make a living. The same thing will happen to our best and most honest appraisers.

The VA schedule must be implemented as the standard for customary and reasonable fees.

Thank you for your time.
Joseph T. Abell
KY CRRPA

A handwritten signature in black ink, appearing to read "Joseph T. Abell". The signature is written in a cursive style with a large, sweeping initial "J".