

From: Douglas H Martin
Subject: Regulation Z -- Truth in Lending

Comments:

Date: Dec 17, 2010

Proposal: Regulation Z - Truth In Lending Act
Document ID: R-1394
Document Version: 1
Release Date: 10/18/2010
Name: Douglas H Martin
Affiliation:
Category of Affiliation:
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

I have been in the appraisal profession for nearly 24 years and I have been an Accredited Senior Appraiser with the American Society of Appraisers for 15 years. There are many reputable AMC's that I have done business with and will continue to do business with because they are reasonable / flexible with both fees and turntimes. Those that can't offer any type of flexibility will find someone else to do business with. I often wonder who they find and under what terms when they ask for unrealistic turntimes and fees. Many times, I will find out approximately 30 days later or a few years later when I am asked to complete a review on an assignment that I have turned down because of fee or turntime issues. Frequently, I find that the person selected for the assignment has come from a great distance away and obviously is not sufficiently experienced to competently complete the assignment. I can recall one particular case where the subject property was located in Vermont, the lender was located in Eastern New Hampshire and the appraiser was based in Maine. It is hard to believe that a good and competent local appraiser could not be found, especially when internet access could easily provide the names of a half dozen good, competent, local appraisers. But when everything must be done yesterday, this is what happens. The unfortunate part is that this is still happening today. If an appraiser won't work for a ridiculously low fee and turn the report in within a fast timeframe, a search is continuously conducted until someone accepts the assignment. Even more ridiculous are AMC demands for more and more information that expands the scope of the assignment, but for which no additional compensation is offered. This is usually because the expanded scope is what the client "demands". However, when I complete an assignment for the same lender that also uses an AMC, the lender doesn't ask to expand the scope of the assignment. Just because an AMC makes a certain number of calls to a certain number of appraisers in an attempt to support their position that they had to look far and wide to find someone to complete an assignment, it doesn't necessarily mean that they have done their "due diligence". It simply

gives the appearance of same. If all AMC's would look for a REASONABLE turtime and pay a REASONABLE fee, many more local, experienced, competent appraisers would be able to complete assignments and provide a good quality report to be used in the lending process. Until that happens, we will see more of the same type of housing disaster that has occurred over the past several years.