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Comments:

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Comments:

If the experiences of the last decade has taught us anything, it is that accurate and independent valuation of collateral for mortgage loans is the foundation of the U.S. economy. Title XVI of FIRREA mandated "minimal competency" of appraisers". The implementation of the Home Valuation Code of Conduct clearly illustrates that even "minimal competence" has failed, at least with the widespread use of Appraisal Management Companies. I submit these comments from a fairly unique position. I have been a professionally designated appraiser for over 30 years. I have written and taught numerous seminars, I have been asked to speak to a wide-ranging number of groups, plus I have served Virginia for three terms on its real estate appraiser board. Recently two of my colleagues and I were asked to sit on panel for our local Realtors Association. We joked that between the three of us we must have over 100 years of combined appraisal experience. We do! None of us do ANY appraisals for the largest AMCs in the U.S. But rest assured we are all on their approved lists of appraisers. These AMCs had a window of almost a year to propagandize and mis-inform lenders about the advantages to using their services. Believe me, I bet our names were at the top of the "approved lists"! Are you so naive as to believe that the WAMU-e-appraiseit debacle was an isolated incident? The approved lists and the actual appraisers utilized on a day to day basis are miles apart. These AMCs have explicitly sought out and utilized the least experienced (and therefore, cheapest) appraisers they can find. It is my core belief that if an appraiser accepts an appraisal assignment below what that appraiser knows or SHOULD know is a customary and reasonable fee, then that appraiser DOES have a financial interest in the transaction. Also, it is imperative to revisit the threshold of exempting mortgage loans. A \$250,000 threshold is not reassuring to me for "safety and soundness". Especially since the median price of a single family residence is well below \$200,000. This original threshold was of, by, and for the lenders' interests only, in my opinion. It is clear that if we do not learn from our

history, then we are doomed to repeat it.