

From: Leah W. Powell
Subject: Regulation Z -- Truth in Lending

Comments:

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Comments:

Please seriously review all comments submitted to you regarding implementation of "reasonable and customary fees" paid to appraisers. HVCC encouraged (though unintentionally) lenders to eliminate their staff (as well as those expenses) and to forward their requests for appraisals to AMCs. The lenders pay the same price to the AMC that they used to pay directly to the appraiser. (It should be noted that the price for an appraisal is the same as it has been for 20 years or more.) The AMC takes 52% of that fee from the appraiser. First, this information is not disclosed to borrowers and appraisers are not do disclose this information. Second, as an appraiser, I make less per appraisal today than when I started 17 years ago (with significant additional requirements and expenses). And, while it is not your job to help me make a living, I believe it is your job to correct this situation which was created in large part by HVCC. AMCs were on the scene prior to HVCC and many of us worked for them. I have heard the following figures -- prior to HVCC, AMCs had approximately 15% of the market; today, they have approximately 80% of the market. This change has occurred in just the few years since HVCC implementation. On its face, this should be a red flag. Please implement the changes passed by Congress in July to return us to a level playing field each party pays for the services they receive - BOTH the lender and the appraiser. AMCs provide appraisers benefits also and I am more than happy to pay for those services. It is not fair that I am asked to subsidize the lenders by paying for the services which they receive and which they paid for prior to HVCC. I have read submissions to you regarding calculation of these fees. The argument that the lenders/AMCs have no information to base this figure on is ridiculous at best. Every day, every single day, AMCs charge reasonable and customary fees - then they take 52% from that and pay the appraiser the remainder. Thank you for your consideration.