

Puget Basin Appraisers

September 3, 2010

Chairman Ben S. Bernanke
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue Northwest
Washington, DC 20551

Dear Chairman Bernanke;

I have been given a copy of a letter written to you from Title /Appraisal/Vendor Management Association (TAVMA) dated August 25, 2010. As a veteran real estate appraiser having served my professional industry since 1979, I felt compelled to respond to this letter.

This new industry giant would have you postpone, suspend or otherwise get rid of the provision of the Dodd-Frank bill that deals with the appraiser's usual and customary fees. If you were to do that, the exodus from the profession by the veterans of the industry will continue unabated.

It is easy to determine what customary and reasonable means. There are thousands of appraisers throughout this nation and depending where they work, they all charge, as competitors, about the same fee. For instance, a lender I'm a vendor for did their own survey and found that for a typical single family appraisal, appraisers in my area charge between \$400 and \$500 for an appraisal with the majority charging \$425 and \$450. Many of the big box AMCs will pay anywhere from \$265 to \$305 for that same job. Not doing the work for the AMCs means you go out of business quickly, while accepting the work means you go out of business more slowly. That is why there is an exodus from my profession by long term appraisers. They know that they can't stay in business @ AMC fees, so they choose to go out quickly rather than the inevitable slow bleed.

Those that choose to work for AMCs do so by cutting corners and not doing the research and evaluation necessary to comply with USPAP and secondary market guidelines. And to cover, they lie, because there is not enough funding to identify the bad apples.

I know what a hair cut costs at a good barber, and at a buzz job shop. Do you want to fund speed and sloppy work, or quality? Your decision on this issue will tell the tale.

With Best Regards,



Roy K. Brown
Owner,
Puget Basin Appraisers