

From: On Call Appraisal Company, Brent Martin
Subject: Regulation Z -- Truth in Lending

Comments:

Appraiser Independence Section 1472 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. "The Independence Section includes prohibitions against interference with an appraiser exercising independent judgment and language that appraisers shall receive reasonable and customary compensation."

Regarding Potential Mishandling of Appraisal Fees by Appraisal Management Companies Attempting to Lower Customary and Reasonable Fee Data

To Whom It May Concern:

Please note that, as an appraiser who willfully and knowingly conducts a slight majority of my business with appraisal management companies, I have discovered a recent trend which I believe is attempting to establish a different criteria for "customary and reasonable" fees. I am in a primarily rural area that suffers from sprawl and some complexity resulting in a higher than typical reasonable fee based on national figures, though, due to costs to complete, a lower overall profit margin when completed versus more congested states with centralized data. A recent \$425 fee paid on my assignments has been peculiarly broken down into an "Accepted Reasonable Fee" of \$300 and then a RUSH, Complexity, Special Assignment, or other named fee for the balance of my posted and quoted fee of \$425. This is not "customary" to have my fee broken down into the AMC's preset determination of which portion is "reasonable" and which portion is "special" when other clients pay the \$425 as typical, reasonable, customary compensation.

This type of specious breakdown of our fees by AMC's should not be allowed. The fee is the fee. If an area is, by its nature, complex, then fair, reasonable, customary and typical -- what have you -- fees should be quoted and calculated as part of the analysis of fees in a given market. To allow AMC's to pressure turn around times with a fee breakdown that is, for instance, \$300 and a \$125 RUSH request, gives incentive to an Appraisal Management Company to rush ALL requests to potentially substandard appraisers in order to breakdown the fees arbitrarily and in their favor to lower that base fee. This will also cause AMC's to seek appraisers who will turn work around quickly and not necessarily with quality as the quantity of fees broken down in this method would cause the overall "reasonable and customary" fee base to lower. Since enforcement time trails the crime by an increasing amount of time, unscrupulous appraisers will seek quantity over quality and the AMC's will be more than happy to accommodate if this is their incentive. This trends toward less and less quality appraisals and higher long-term costs to the integrity of the industry and we will be back where we started "again" if this fee breakdown is allowed.

Sincerely,

Brent Martin

On Call Appraisal Company