

From: Robert D. Mims, IV  
Subject: Regulation Z -- Truth in Lending

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Comments:

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December 23, 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, This letter is in regards to Title X I V (Sec 1400 Et Seg) of the Dodd-Frank Bill. Sec 1 4 7 2 of the act adds sec 129E, which refers to "Customary & Reasonable Fee" requirement. Exploitation.

Discrimination. Bondage. These words best describe how I feel since AMCs have taken over the appraisal profession. I have been a real estate appraiser since 2003. In the past 7 years, I have earned the SRA Designation from the Appraisal Institute, served in my community on various boards and committees, earned a Realtor's license, and will graduate with a BAS in Project Management in 5 months. I am the poster child for overcoming obstacles. But getting a paid a fair, customary, and reasonable fee for the work I do is something I cannot overcome without help from my government. Appraisers need your help. I see this issue as both a protection and rights issue. We need regulatory protection from AMC price fixing and control. I can't tell you how difficult it has been since Appraisal Management Companies (A M C) basically took over the appraisal business. Customary & reasonable fee for my services was around \$450 per residential appraisal. Much of my area comprises complex high-dollar residential beach properties. There are many multi-million dollar homes. The fee is based on the scope of work necessary to deliver credible results. For instance, many assignments demand much higher fees. AMCs shop these complex high-dollar to the lowest bidder without regard to competency, quality, or scope. After the AMC became the predominant force in my business customary and reasonable was reduced to as little as \$200.00 but mostly \$250.00 to \$275.00 per residential appraisal. In addition appraisal orders are placed with the lowest bidder. Also the fee to the borrower has increased significantly because the A M C has to make money but provides no real benefit to the appraiser, lender, real estate agent or borrower. HVCC's original intent was honorable; however, it did not solve the problem of protecting the appraiser from pressure. It has intensified it. The AMCs are brutal to work for; low fees, impossible turn times, poorly trained and non-licensed "reviewers" and

increased fees to the consumer and the banks. In my view, a \$600 fee for the work performed by a designated appraiser is not unreasonable. However, at a minimum, the \$425 fee the VA pays should be the minimum standard for residential appraisal fees. Sincerely, Robert D. Mims, IV, SRA President 30-A Appraisal Group, Inc. State Certified Residential Appraiser RDM/jpa