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Proposal: Regulation Z - Truth in Lending
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Name: John Slaughter
Affiliation: Certified Residential Real Estate Appraiser
Category of Affiliation: Other
Address:
City: Phoenix
State: AZ
Country: UNITED STATES
Zip: 85024
PostalCode:

Comments:

I have many points and thoughts regarding "Truth in Lending". Before I started in the Appraisal Profession, I had thought it would be a good fit for me, I had always been told that I was trustworthy, honest, and someone that people admire. I thought appraising is perfect for me. That changed during these past few years, although I haven't changed. Now, when talking to mortgage brokers and others involved in wanting a mortgage, the only thing they want to know is how aggressive I am and will I check to make sure the value they want can be 'hit' before they will pay for a written appraisal that could be used for a mortgage loan. I tell them, "No, I can't do that." What happens then? They call other appraisers until they find someone that says, "Yes". Who benefits from this type of practice? Surely not the homeowners and borrowers that often end up owing more than their property could realistically sell for - nor the ethical appraisers that could have ensured this didn't happen to these consumers! The people that benefit most are the ones earning the commissions! Why is anyone whose income is tied to closing a mortgage loan even allowed to order the appraisal? This makes no sense to me at all! Some say that the AMCs (Appraisal Management Companies) take the control out of the commission earners hands and sometimes in some AMCs that may be. But, AMCs compete with each other by demanding 24 hour turn times and offering appraisers exceptionally fees (as low as \$120.00

for a URAR 1004) when the typical fee is \$300 - \$350.00. Homeowners are typically charged an appraisal fee higher than the typical fee and much more than what the actual appraiser was paid. How can this be compliant with RESPA and Truth in Lending? Why are some of these AMC's owned by the company that is making the loan? What kind of appraisers do you think will accept fees like that? What kind of appraisers willingly accept the cheapest fees offered anywhere in the business with production turn times that do NOT allow for the proper and necessary due diligence to complete a reliable and credible appraisal and appraisal report? Plus, what about the AMCs and others involved with lenders that have been and still are unlocking the appraiser secured electronic document appraisals and 'converting' them to something the appraiser did not do? How can you accurately calculate the risk of a loan package if the appraisal is fraudulent? The ethical appraisers and ethical lenders/mortgage brokers/bankers are hurt by this fraudulent practice. The unethical lenders/mortgage brokers/bankers need to be held accountable for "shopping values" After over 15 years as an ethical, honest, and competent appraiser, I am being forced to find a different source of income because the mortgage lending business does not want what I have to offer: a professional unbiased opinion of value.
