

From: Gary A Seal
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Name: Gary A Seal
Affiliation: Real Estate Appraiser
Category of Affiliation: Other
Address:

City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

Appraiser independence and HVCC: What has HVCC contributed to appraiser independence? To answer this I have to go back to life before HVCC. I've been a Residential Real Estate Appraiser since April 1981 and have lived and thrived in Houston, TX (1981-1986), Los Angeles, CA (1986-1990) XXXX (1990-present) as an appraiser. During these years I have been an employee of several large appraisal firms, a Staff Appraiser of several banks and lending institutions and for the past 9 years an independent fee appraiser (which basically means - self employed). It is this last stage that I will place my comments. As a self employed independent fee appraiser it was my privilege to work with whomever I chose - I worked almost solely with mortgage lenders and I had several large and small regional lenders which would provide me appraisal assignments. I had worked diligently to cultivate these relationships through hard work, quick turn-around times and courteous, professional behavior. I was rewarded with a good, not great, income from my appraisal work. I could set my appraisal fees based upon criteria set by me and the cost of my business was my concern. In one swoop this was wiped away with the implementation of HVCC. The one AMC that I worked with (for 10 days) required me to accept \$XXXXXX for a complete appraisal assignment. The contact person, I was told, was an experienced appraiser and he required me to include certain verbiage, provide extra comparable sales, include at least two listings and/or pending sales and take extra pictures all in the name of 'client requests.' If I balked at any of these 'requests' I was told that I wouldn't be paid and that they would never send me any other assignments. Also, I was instructed not to talk to the homeowner about what the appraisal cost them. The last homeowner asked me if she was supposed to pay me at the door - she had the \$400.00 check in her hand for my appraisal. When I was working on my own an appraisal completed by me cost the homeowner \$xxxxxx. The AMC was charging an excessive \$xxxxxx to supervise me. I spoke to other AMC's that worked in St.

Louis but was told that if I wasn't on their approved list when HVCC was implemented that I was out of luck. I didn't do Wells Fargo, Bank of America or the other large, national banks that are in charge of their own AMCs so I was really out of luck. For the first time in my working life I was getting very discouraged being an appraiser. I made calls to all of my former clients and was put through to an 'Appraiser Coordinator' who was the contact person but really just a 'go between' for the loan department and the appraiser. All of these 'Appraiser Coordinators' are employees of the bank and work in the same office as the loan originators, loan officers, loan processors and underwriters. Some independence in the Loan Process! But the Loan Process wasn't the cause of HVCC, was it? No, it was thought to be the lack of appraisal independence. Appraisers were seen as all too willing to make some Loan Officer's deal work for \$300. After HVCC I was told in no uncertain terms that no Loan Personnel would be talking to me. In reality, what does happen is that if I am low on an appraisal I will get an email or a call about 're-evaluating' or raising my value from the 'Appraiser Coordinator.' Or if another appraiser is too low and won't raise his value I will get a call (also from this same Appraiser Coordinator) to go out and do another appraisal but would I 'comp' it out first and see if I can hit the value they need? I have also gotten calls from homeowners directly about 'comping' out their home as they'd been given my number from a loan officer that they're dealing with. Just make sure to keep the appraiser away from the Loan process. Silly, isn't it. The only thing that has changed with HVCC is that there is another person, called an 'Appraiser Coordinator' between me and the loan officer and that I have to pay this person's salary out of my appraisal fee. Independence? I am as independent of the Loan Process as I ever was and this is as it was before HVCC. I never called anyone involved in the loan process and asked them how I should appraise a particular home or what value I should appraise it for. As appraisers we already had the Uniform Standards of Professional Appraisal Practice and a Code of Ethics that we are accountable to. HVCC didn't add anything. If I was dishonest before HVCC why would I all of a sudden become honest? HVCC and the AMCs run by the large banks have merely run some good appraisers out of business and cost the remaining appraisers the ability to have a good standard of living. Has my business taken a hit from HVCC? Most definitely. Is there more appraisal independence now? No, just more bureaucracy and less money. Are homeowners better off with HVCC? No, they just have to pay more for an appraisal middleman. How do we get more appraisal independence? By making it easier to do our job not more difficult. Less unrelated restrictions and more homeowner/home buyer responsibility. I've known literally hundreds of appraisers in three States and I can count on one hand the number who I have thought to be dishonest or unscrupulous. Were appraisers the cause of the Housing Debacle? Part of the problem that caused the Housing Crash? The answer to these questions is laughable when you think that today the appraiser is being seen as the cause of falling prices and lower home values. Appraisers have always followed the market and we have never lead it.