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Comments:

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Docket No. R- 1394 and RIN No. AD-7100-56 Dear Federal Reserve: With the interim rules out, it looks like they are doing the opposite of what the Consumer Protection Bill wants them to do. There are many reasons HVCC is suppose to sunset. HVCC has destroyed my business of 17 years. This month in October 2010, I had one order for a whopping \$200. Needless to say I can't pay my bills let alone appraisal expenses. With AMC's in control, if I get lucky to do 10 appraisals, I only make \$xxxxx now; however, before HVCC I would have made \$3,500 or more. As a Licensed Appraiser with 17 years experience, I now see 1/2 my fee go to AMC's for just an administrative fee when we the Appraiser have so many expenses, such as data sources, flood maps, plat maps, transfer histories, License, EÖInsurance, software, sketching software, gas, ink, paper, office equipment, car maintenance, health care as well as basic living expenses all have to make sense to do business. Also, over the years, additional pages and requirements have been added to the appraisal such as a 3 year transfer history search on the subject and 1 year on all comps as well as personally calling the agents and confirming all comps used and finding out if there were any seller concessions. Additional interior photos and a full 1 year 1004MC market survey which all added time to do the appraisal; however today appraisal fees are now ½ of what they were a year and a half ago. With a free market to order and receive assignments, as well as to just receive our fee from the consumer at the door would put the consumer in control again. Anyone who passed the SafeAct license Test should be able to order an appraisal. The fees the AMC's pay for an appraisal, the distances appraisers are traveling just to make ends meet, not knowing what AMC's to join and if they will even pay you, are the most pressures any Appraiser can feel. Most AMC's don't even add you to the list and if they do don't order any appraisals. Some even ask for back ground checks that we have to pay for. We have already done that to get our license. I've joined at least 10 AMC's and maybe get an order from

one of them. I lost 17 years of clients I built up, filtering the best ones that did not put pressure on me, rather the opposite. They really wanted to know the true value and what repairs were needed, so no surprises will come down the road. These are local Real Estate Agents and Brokers that know their clients personally and don't want anything to happen to them. When you play by the rules and truly give an unbiased opinion, people actually pay for your expertise. In today's climate of AMC dominated ordering, you never see who orders the appraisal because they're from another state. The Consumer Protection Bill is supposed to interpret what congress wanted. Sunset HVCC should mean do not repeat the mistakes this created. With the HVCC Model, Trillions of equity has been lost due to bad out of the area inexperienced Appraisers.

Protect the consumer by allowing them to actually see what they are paying for on the HUD-1 as of today AMC's include their fee as if they did the appraisal. They ask for lowest fee you can take and don't want an invoice to be included with appraisal. Why is that? Only reason would be to hide something, like our low fees. This is a violation of RESPA to fully disclose an administrative fee of the lender separate from the appraisal fee should be done according to this bill. You must establish a fee schedule done by an independent survey already done such as VA. Make it very clear to the AMC's with no 1004 full appraisals being lower than \$350 to higher depending on complexity. AMC's will not guarantee a set number of appraisals per month so lowering it any lower will only hurt Appraisers. "Customary" fee does not mean what the AMC's have been paying in the last year. This has to be clear. No new Appraiser Trainees are entering the industry because no one will supervise them anymore and the future under AMC rule is dismal at best. After the AMC fee of \$200 per appraisal then having to split that after 5 to 8 hrs of work per appraisal doesn't make sense for anyone except the AMC of course. Return the industry to anyone who wants to order an appraisal should be able to do so. Let a free market prevail so Appraisers can control their own destiny. Also all lenders must be forced to accept an appraisal done by any licensed Appraiser. No lists of approved appraisers should accrue. That is discriminatory. Appraisers are being forced to leave the industry in droves. In 2007 there were 22,000 appraisers in California and currently fewer than 13,000. BPO's have also lowered the valuation method and added to the mess we are in. Restore the Appraiser to be fully independent from Banks and the AMC's they own. HVCC and AMC's will continue to destroy the appraisal industry unless removed from controlling Appraisers through the ordering process. I don't know how much longer I can last making what I do now. When my wife lost her job in a couple of months, we will not be able to pay the bills at what I make for an appraisal today. I have been lowered to under poverty level in the last year and half. When I started appraising 17 years ago I was making \$250 to \$300 per appraisal. Then it went up to \$350 to \$450 depending on complexity. It is embarrassing to make today's AMC fees. Protecting the consumer by protecting the Appraiser is what the Dodd/Frank Bill was supposed to do and when you give all the power to the banks and their AMC's you have clearly done the opposite. The AMC model is not working. All you have to do is Google "HVCC" and you'll see thousands of articles of why it's not working. As we all know it originally started when a large Bank owned AMC was caught putting pressure on Appraisers who didn't come in with the value, so how is it, AMC's were given all the ordering power under HVCC? It just boggles the mind, except that it might have been planned the whole time. Give the power and control back to the people of the United States. Let there be a free market where Appraisers are trusted once again. We are here to protect the Lender as well as the consumer. Since I have so much time doing nothing and waiting for an AMC order at low ball prices, I

now look for other jobs to get out of the industry. As an Appraiser, it appears the interim rules are repeating what we already know and are drilled with, USPAP. Your focus should be on Appraiser's receiving a fair fee that makes sense to stay in business. Concentrate on AMC's total dominance and control over Appraiser's livelihoods and make them disclose the appraisal fee and AMC administrative fee as separate so the consumer can see where their money actually going. Also portability of the appraisal would help the consumer. AMC's will not let them go to another lender. This makes the consumer pay for another appraisal, sometimes up to 3 just because they wanted a better loan or the appraisal came in too low and wanted a local appraiser to do it. Most AMC's are out of state don't know the lay of the land and order with an appraiser that lives 90 miles away, this hurts the consumer big time. Thank you for reading my comments from a 17 Year veteran Appraiser from California who's losing my Appraisal business due to HVCC and now the Federal Reserve's interim rules by allowing the AMC's to control the ordering process and by not being clear on fees, will still allow AMC's to control and steal ½ of my appraisal fee at the same time hide it from the consumer by not having to disclose them separately on HUD-1.