

From: Elisabeth Purser Fennell
Subject: Regulation Z -- Truth in Lending

Comments:

To whom it may concern;

I implore you to set appraisers customary and reasonable fees based on the nationally accepted VA fee schedule.

What AMC's have been able to accomplish to water down the professionalism of appraisers, in the short amount of time they have been in business, is appalling.

It is not unusual for the AMC to charge a lender \$450 and up for an appraisal, with under \$200 going to the appraiser.

The lowest fee seems to drive who gets appraisal assignments these days. Therefore, many experienced qualified appraiser are turning down the work of the most cut throat AMC's. The result is inexperienced or unqualified appraisers. from many counties away, appraising property in a neighborhood they know nothing about. This is not only a disservice to the borrower and lender, it is dangerously close to the ineptitude that got us here in the first place.

Given recent events in regards to the mortgage crisis and severe downturn in housing, it is more important, now than ever, to make sure appraisals are being completed by the most competent and knowledgeable appraisers in a geographic region.

Without setting a nationally accepted benchmark for the basis of reasonable and customary fees, AMC's will continue to seek out the lowest cost appraiser and the dumbing down of the industry.

It is not enough to simply ask AMC's not to do this or to even state that this type of fee discrimination will not be allowed. AMC's will continue to use tactics to sidestep such rules and simply not send appraisers work that do not agree to their cut rate fees.

Some unscrupulous AMC's have already developed such tactics to comply with federal rules, by simultaneously avoid sending work to appraisers who do not agree to their low fees.

I have no doubt that TAVMA has the stronger voice, with their well funded lobbying effort, to keep you from adopting the VA fee schedule as a minimum fee. The appraisal industry is composed of many independent appraisers and one person shops. It is a difficult industry to organize into the same strong and cash infused voice of TAVMA.

I am asking that you listen to the concerns of those of us working in this industry everyday and not to the lobbying effort of a for profit business through TAVMA.

By adopting the VA fee schedule as the basis for customary and reasonable fees, you will take price out of the equation for the AMC's in determining how appraisals are assigned. This is good for lending and good for the housing

markets.

In closing, I implore you to adopt the VA Fee schedule as the basis for Customary and Reasonable fees and not leave that determination to a for profit industry seeking to increase their own bottom line.

I firmly believe that without setting a base line fee, the AMCs will continue to take advantage of the rules set in place and continue to use unqualified appraisers, simply because they are willing to provide a service for the lowest cost.

Encouraging that behavior will lead to another crisis in lending and in housing.

Sincerely,

Elisabeth Purser Fennell