

From: James Gross
Subject: Regulation Z -- Truth in Lending

Comments:

Ladies/ Gentlemen:

Please accept my sincerest concern regarding valuation of appraisal fees and the lack of oversight of the management companies. It is with extreme regret that in the legislative mandate "insulating appraisers from lender/ clients" has been implemented and allows for no regulatory oversight of the mgt companies.

How could such thoughtless, narrow- minded legislation be enacted without identifying the consequences that have resulted. Management companies conduct appraisal services, review appraisal services, impose fee structure, demean the professionalism of the profession, all without licensure, education/ experience and with full authority of the legislators.

The concept of "reasonable and customary fees" has all but been abandoned and even now with compliance date(s) in effect, has been extended which allows for mgt co's the opportunity to attempt to justify their rate structure.

In the interim, many experienced appraisers are leaving the profession and extremely few appraisers are entering the profession due to low fees and experience requirements (and cost) in obtaining new licensure. Certainly, this imbalance will affect appraiser fees both now and in the future.

But, for now, please impose mandatory compliance with reasonable and customary fees as of the new implementation date, with no further delay(s).

Similarly, all appraisal mgt companies should be mandated to follow the EXACT same standards/ practices that appraisers are required to follow in the origination and review of appraisal services. However, this may be beyond the scope of your committee work.

Sincerely,

James J Gross