

From: Rodney A. Ready
Subject: Regulation Z -- Truth in Lending

Comments:

To Whom it may concern,

Re: Customary and Usual Fees Docket# R-1394

If appraisal fees are not required to be based on surveys, then the appraiser is at the mercy of Appraisal Management Companies. These companies, for the most part have only one role in the appraisal process and that is the selection of the appraiser. They have wedged themselves between the client user and the appraiser preparing the report and have done so by not offering a service mandated by the government.

But instead of having to gain that business by competitive pricing with fellow AMCs, they have all simply taken whatever portion they could of the appraiser's customary fee without having to pass their costs on to the lender. That predatory practice should be banned.

That can be accomplished by requiring fees to be based on surveys of appraisal fees which are not related to Appraisal Management Companies. Only then will the appraiser be compensated in a fair manner. Appraisals will then be assigned based on quality and timeliness instead of expediency and lowest fee. This will in turn allow for professional reports to once again be completed in a timely manner. No longer will the appraisers have to increase volume, if they can at the expense of quality just so they can afford to stay in my business.

My income has dropped by 35% since the implementation of the HVCC. However, its elimination will not correct, the unfair Appraisal Management Companies' practice of slicing up the typical appraisal assignment fee to cover their costs without being required to adhere to fee schedules established by objective third parties or fee surveys unaffected by AMCs. If the government in effect has required lenders to use AMCs, then they have a duty to insure fair compensation to the appraiser who no longer has the ability to negotiate directly with the lender client.

Thanks for your time,

Rodney Ready