

From: Glenn Day  
Subject: Regulation Z -- Truth in Lending

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Comments:

Hello.

I have been a residential real estate appraiser since 1984. Currently almost all of my business is quality control. I currently do very few original appraisal reports.

Appraisal management company pricing drove me out of the business of producing original appraisal reports.

If you actually want good quality reports (as opposed to merely giving lip service to wanting good quality), you must:

1. Provide for real appraiser independence. Probably this means assigning appraisers from a government maintained panel.  
Using AMC's simply moves appraiser pressure from one place to another, since AMC's must compete for customers.
2. Fees must be sufficient to attract and maintain people capable of producing good appraisal work. AMC fees fail to do that.  
AMC fees are set to provide profits for AMC's, not to provide a sound foundation for the appraisal portion of the lending industry.
3. Adequate time must be allowed for completion of appraisal assignments.  
A system that forces appraiser to compete with other appraisers on the basis of delivery time is doomed to produce poorly developed appraisal reports.
4. Stop AMC practices such as calling the appraiser each day, or requiring elaborate "status reports" on web sites.  
Appraiser should only be responsible for producing a good appraisal report, a difficult enough job in itself.  
Pushing clerical and/or recording keeping chores onto appraisers can be done only at the price of decreased emphasis on performing the jobs appraiser are trained to perform.

AS LONG AS QUALITY IS ONLY GIVEN LIP SERVICE, WE WILL BE DOOMED TO REPEAT THE EVENTS OF THE RECENT PAST.

Glenn Day