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Comments:

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Comments:

I am concerned about your comments stating that the market should dictate fees at this time. This sounds dangerously like "business as usual". Our legislators would not have spent their time to pass this bill if they did not intend for a significant change to happen in the way the appraisal business is now conducted. 1. The "market" has become an oligopoly due to the HVCC regulations. Prior to this, there were sufficient appraisal clients for appraisers to compete in the market based on the quality and value of their services. Now, a small number of clients assign orders based primarily on low cost and quick turnaround time. This is bad for both lenders, consumers, and the general public, and this is exactly what the legislation is trying to avoid. 2. There is a major lack of transparency in the market, whereas the consumer (borrower) is unaware of the low appraisal fee and high appraisal management fee that is being charged to them. I am certain that the majority of consumers would not feel confidence in this arrangement. 3. The current fee structure makes it nearly impossible for new appraisers to enter the profession. 4. There are sufficient fee surveys to indicate the general range of customary and reasonable fees prior to HVCC. 5. Over the prior two years, there has been a major increase in the scope of work that is requested by lenders in a typical appraisal report. Thus, any fee survey that relies on pre-HVCC data would significantly underestimate the current labor cost of performing a standard appraisal. 6. It is only fair for costs to the consumer and lender to increase. Just like the increased security at airports resulted in higher prices to the consumer, it is only reasonable that the persons whose interests are ultimately being protected will bear the cost. I do not believe that airport security staff were asked to pay the cost of increased security by halving their salaries! It is also likely however that a large portion of the fee increase will be taken from AMC profits, which are currently a result of

unfair market advantage and gouging of both the consumer and the appraiser. 7.
I urge you to enforce the spirit of the law by finding that customary and
reasonable appraisal fees MUST NOT include the appraisal management fee.