

From: A-1 Appraisal Services, Robert Petrone
Subject: Regulation Z -- Truth in Lending

Comments:

Hello,

I'm a certified residential appraiser located in the lower Hudson Valley, New York. I've been in the appraisal business since 1994, starting my own company in 1998.

I understand the reason why the HVCC was put into place however it's intension was NEVER realized.

Instead of protecting appraiser independence it instead created a system that did just the opposite.

Prior to HVCC, I was a small businessman who prided himself in knowing that I was a honest person delivering a good product. MY NAME is on EVERY report that I completed and that is VERY IMPORTANT TO ME...

Then came the HVCC.

I was told by my clients to sign up with the specific AMC that they would be utilizing. Many times the AMC informed me that there appraiser pool for my area was filled and that they were no longer accepting new appraisers. (here is one example of how the HVCC took business directly away from me)

In other situations the AMC would make me sign my life away in the form of their "Service Agreement" and receive a much reduced fee.

THERE WERE MANY CONSTANTS THAT I NOTICED IN EVERY AMC APPLICATION SUCH AS - I WAS NEVER TO DICUSS FEES WITH THE HOME OWNER... AND THAT AN INVOICE WAS NEVER TO BE SEND WITH THE APPRAISAL.. MANY TIMES I WAS TOLD THAT THE APPRAISAL WAS IN FACT AN INVOICE..

Many times the home owner would vent on me during the inspection. demanding why I was charging "SO MUCH MORE FOR THE APPRASAL". compared to the fee that they paid just 3 years ago...

The Dodd Frank Bill seems promising, however I feel that the large AMC's are going to find loop holes that will permit them to continue to cheat appraisers and the public with the sole purpose of lining their pockets with unearned profits.

Currently the AMC's are instructed to put all appraisers who applied to complete assignments (in a certain geographical area) on a round robin rotation, however the fact is that they only utilize appraisers who are willing to complete the assignment at the lower price with the faster turn time. MANY APPLICATIONS SPECIFICALLY ASK THE QUESTION "WHAT IS THE LOWEST FEE THAT YOU ARE WILLING TO ACCEPT TO COMPLETE THE FOLLOWING SERVICES". (These services usually

have additional requirements that are not included in USPAP). They want more content, unreasonable turn times and .. OH many AMC's have a clause that states that they have the right to reduce the fee if the turn time is not met. !!!!!

And now they are hiring high powered law firms to fight for their rights to earn a fair living. WHAT A JOKE!!!!!!

I've read the H.R 4173 document and while I am obvious not an expert, I can see many areas were AMC's will try to wiggle their way out of treating appraisers fairly. Here are a few that concern me the most.

I would like to see a provision that spells out the appraiser selection process employed by AMC's. I feel it is unfair for a small group to control who will receive work or not. It is unreasonable that an appraiser should lose a client that he or she has had for years simply because the lender is being forced to utilize a management company. DON'T BE FOOLED.. AMC's CONTROL WHO GETS TO WORK OR NOT... THEY CONTROL THE FATE OF ALL APPRAISERS. WHO WILL STAY IN BUSINESS OR NOT..

I noticed that management companies are venting their concerns that H.R. 4173 will increase the amount that a home owner will pay for an appraisal, eliminates fair competition and lacks to provide a fair provision for the ability to negotiate for a discounted fee in return for the promised bulk work. I would like to see a restriction on the amount of assignments that can be given at a discounted fee. I fear that AMS will try to assign the majority of the work to large firms that will offer a discounted fee. I FIND IT INSULTING THAT THE AMC's ARE TRYING TO INSINUATE THAT THEY ARE LOOKING OUT FOR THE PUBLIC'S BEST INTEREST BUY ATTEMPTING TO KEEP PRICES DOWN.

I feel that the Lender should pay the Appraiser's fee, NOT the AMC !!!!!

HVCC was implemented to provide appraiser independence / protection.

I was excited when I first learned of the HVCC. HOWEVER I HAD NO IDEA THAT I WAS GOING TO BE FORCED TO PAY FOR THIS PROTECTION AND AT THE SAME TIME MEET NEW GUIDELINES / REQUIREMENTS THAT WERE DEVELOPED BY AN INDUSTRY THAT WAS SUPPOSED TO BE A MIDDLEMAN.

INSTEAD OF PROTECTING APPRAISER INDEPENDENCE THE HVCC HAS CREATED AN ENVIRONMENT THAT HAS TURNED APPRAISERS AGAINST ONE ANOTHER FOR THE SOLE PURPOSE OF FEEDING THEIR FAMILYS WHILE THE AMC's SIT BACK AND KEEP THE PROFITS

WHO IS IN CONTROL HERE???????? I KNOW, THE AMC's ARE!!!!!!

Please help us !!!!!

Thank you for the opportunity for sharing my thoughts with you

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