

From: C. Hamilton
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Comments:

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I have been a real estate appraiser for 8 years. I started out working for a large fee shop/AMC and made \$17.50 per job even when that job took 8 -12 hours, which was standard for someone just starting out. Even when I reached top pay (50% of their fee of \$350), there were days when I didn't make minimum wage. I left that company when I caught them modifying one of my appraisals by \$100k. The owner of that company lost his license for similar acts, but he still owns and runs the AMC. I ended up homeless because it was impossible to get on the AMC lists, which were flooded with appraisers using trainee runners to do the work for low fees. Now I am staff for a company that completes CVRs (Collateral Valuation Reports), for foreclosures. I see appraisals and real estate BPOs (Broker's Price Opinions, and the quality is horrendous. I have a large file of appraisals to turn into state boards. These reports are completed by appraisers (and likely their unnamed trainees) for AMCs for very low fees. And you get what you pay for. Numerous errors, unsupported adjustments, vacant land appraisals that violate USPAP at every turn, and values that just aren't supported. It doesn't matter, because when the bank sells the property, they get reimbursed for their loss (for banks that bought failed banks non-performing assets.) No one cares. Except the appraisers who are being put out of business because they won't play the game with low fees. I worked for a time for those AMCs, they only ask two questions - how fast and what is your fee. If your fee is too high, they move on to the next person. I haven't received my full fee since 2007, except when doing private appraisals (non-lender). The low fees that AMCs pay are driving the good appraisers out of business, and leaving only those willing to compromise their work (or maybe don't even know what kind of work goes into a credible appraisal). Errors are rampant, many affecting value. If you allow AMCs to use AMC fees to justify AMC fees (how's that for circular reasoning), then you're just as complicit as all of the other players in this mess and the massive recession it has caused. We don't need terrorists to destroy our country, we're doing it from

within. We need to have appraisal work assigned on the basis of experience (make all appraisers be certified, not just licensed). Make the AMCs have a percentage of reports ordered by them be reviewed by an outside group of review appraisers, and make the AMCs meet quality requirements. There are many appraisers out there that are proud of our work, if not what our profession has become, who are willing to help bring us back to a real profession we can be proud of. Don't give the AMCs permission to continue the race to the bottom. Kindly act NOW to correct this grievous error.