

From: Patricia K. Reass
Subject: Regulation Z -- Truth in Lending

Comments:

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Proposal: Regulation Z - Truth In Lending Act

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Comments:

Comment on Proposal: Regulation Z-Truth in Lending Act (R-1394). Regarding reasonable and customary fees for appraisers...Having been a real estate appraisal business owner since 1986, I've seen our fees for residential appraisal services change over the years. In 1986 my fee for a single family home was \$175.00 In the year 2000, the market was paying \$275.00 Since the FNMA form was enhanced to a six (6) page document and the new MC form added, my Summary Appraisals have become Narrative Appraisals for which the market is paying \$400.00 Just recently, I was contacted by an Appraisal Management Company to perform a FNMA single family appraisal and offered \$250.00 and chastised that I wouldn't accept their "generous" fee. Another recent example includes a request from an AMC for two (2) appraisals in our market area. We were asked to reply with our "turn-time" and fee. Our response was "our reasonable and customary fee for these assignments would be \$400 each and we can have both reports back to you within three (3) days of inspection...we were told, "...oh, I should have told you, these were cancelled..." So! Is this the new way of getting around having to pay "reasonable and customary" fees?...tell the appraiser Oh! that was cancelled, and call another appraiser to shop the fee until an appraiser is found who will accept a reduced fee? I'm pretty sure most professionals are not working for the same wages received a decade ago - why should professional appraisers? Thank you.