

From: S.A.S.  
Subject: Regulation Z -- Truth in Lending

---

Comments:

Date: Dec 23, 2010

Proposal: Regulation Z - Truth In Lending Act

Document ID: R-1394

Document Version: 1

Release Date: 10/18/2010

Name:

Affiliation:

Category of Affiliation:

Address:

City:

State:

Country:

Zip:

PostalCode:

Comments:

HVCC has ruined my business model, once a prospering employer, now bankrupt, losing house, dignity & my source of employment to maintain my life. Reasonable & customary is a good start to recover the devastation to my business. The idea that the person making the lowest amount in the transaction should now share their low fee(that does not keep up with inflation) with a firewall middle man(AMC), is preposterous. This fee should have been paid by the requester, the bank or lender who prospers the most from the transaction. Appraiser fees were set up to be and should be, what the appraiser guesstimates for time involved and complexity of the assignment, based on that appraisers experience and estimation of the assignments difficulty & time involved. Not every assignment takes the same time or research & development, nor should they be paid one set fee. I started in 1993, the current AMC fees being paid are lower then the fees in 1993, yet the cost of living and maintaining an appraisal practice has only risen, not static or declining. So reasonable and customary fees are what was being invoiced at the given moment. As time marches forward, reasonable and customary should be increasing as the costs to perform the function grow, such as gasoline, vehicle maintenance, data sources, MLS memberships, continuing education, Licensing, E & O insurance increasing every year, subscriptions to Software for the forms the reports are prepared on, websites, advertisement, paper, clips, pens, measuring devices, cameras, internet services, phone & cell services, all to maintain a business. How do reduced fees, by as much as 50% help to maintain the business model? How is a 48 Hour return on a discounted fee sound when this is not the reasonable and customary practice for the past 15 years in business, now being demanded by the middle man, AMC's, who can ruin your career by just being late or rushing to produce an inferior product? How is this a better way in the Appraisal field? Are not the consequences much too high for the banks to save a few dollars and have the middle man be paid by the appraiser, middle men AMC's that are not regulated, no license to get started, no experience to get in, often ones who have lost their license due to unethical behavior, they are now running the middle man show, profiting greatly while the over educated, over burdened

appraiser foots their bill and the fat cat banks laugh all the way as they dont have to pay the bill for their requests. Reasonable & customary for SFR or Condo, 1004/1073 report was \$350 and higher. Mostly more for larger sq footage or difficulty with data and report needing more research, analysis and reporting commentary. FHA was always \$50-100 higher due to the added liability and extra inspection for health and safety violations that would need repair before being accepted as an FHA mortgage product. Unit appraisal 1025 form was \$700, as the report generally requires twice the time and difficulty in the research, development and analysis before arriving at a reliable value conclusion for the client. Today, AMC management groups are offering \$200, 240, 275 for 1004/1073 appraisals, \$25 more for FHA and \$500-550 for 1025 Unit appraisals. This then lowers the fees required to maintain an office as described above and the outcome is doom for the appraiser who wants to perform his/her function in society but cannot because the costs outweigh the compensation, eventually resulting in a failure of the business and personal finances.