

From: Lynne Thorp
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Comments:

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Name: Lynne Thorp

Affiliation:

Category of Affiliation: Other

Address:

City:

State:

Country:

Zip:

PostalCode:

Comments:

Proposal: Regulation Z - Truth In Lending Act Document ID: R-1394 Document Version: 1 Release Date: 10/18/2010 Dear Sir: I have read some of the comments posted by other "interested parties" to the above referenced document, but the responses were written in some type of surreal governmentese text. So as an appraiser allow me to speak in clear English. Only in the context of a "government" solution for a problem that didn't exist would anyone ever dream up some absurd plan to have a middle man (AMC) who has no purpose, knowledge, or locational competency to be deemed the only entity allowed "dole" out appraisal assignments from lenders to appraisers. Did any of the genius' who thought up this debacle ever consider it would be impossible for an appraiser to earn a living under this system? How do you think it is possible for any business to stay in business when you can't advertise, or solicit clients? AMC's are not clients, the end user is the client, that is the lender. I have been in this profession since the 1970's. Every time there is a recession, which in my lifetime is about every ten years, it has always revolved around the real estate/lending industry. And without fail in each of those cycles there is always the government finger pointing at the private industry--never them of course--and also without fail, the appraisal industry has always born the brunt of new over-regulation designed to "never have that happen again". So how is that working out? The original purpose for having an appraisal in the loan file was to ascertain the amount of money which could be lent to a borrower. Supposedly when we all had to be "licensed", that was going to fix everything because there would be "standards"---but apparently appraisers are just too stupid and corrupt to be able to perform our job ethically, so every recession has provided a new round of regulation/restrictions. I want each of you to imagine that in order to do your job, a job you have been licensed and are competent to perform, you must locate some independent middle man to sign up with, in essence apply for a job with numerous companies, then sit by the phone and pray someone sends you orders, then if lucky, be forced to accept

whatever pittance fee they offer, or you may not get any orders. I have been "forced" to accept \$200/fees to complete appraisals. The last time I charged a \$200 fee was in the 1980's---my expenses are at the 2010 level. Since the "law of unintended consequence" appears to be an alien concept to anyone in government, let me explain the consequence you are creating: the elimination of the appraisal profession. Think that is too harsh? No intelligent person with a college degree would spend two years working, essentially unpaid, as a trainee to learn a job, take an additional couple hundred hours of appraisal education all in hopes of maybe signing up with some AMC to get paid some unknown fee determined at the whim of the middleman. And do you think that any of us barely making a living at this time would be willing to take on these "trainees" to educate? No the answer is No. Not that my comments will ever be read by anyone, but here is my suggestion---either do away with the FNMA regulation requiring an appraisal for loan files, or, allow the industry to set up their own methods to handle it's business----you all are complete failures because you have no clue about what you are trying to control and if that isn't completely obvious by now, we are all doomed. Lynne Thorp