

From: Anonymous
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Dear Federal Reserve Board, You have been given the task of weather or not to enforce a newly passed federal law that was signed by the President of the United States regarding the independence of appraisers and a customary and reasonable fee structure for appraisers. During this discussion period you have heard from both sides of this very strongly contested law. We have seen the largest financial meltdown in the history of our country, and yet, after all the troubles we have seen and tried to fix, everyone is still concerned with only their well being. By not enforcing the customary and reasonable fee structure your board will be faced with having the distinction of single handling destroying the real estate industry in the United States forever. Third party companies, i.e. Appraisal Management Companies, have gained such a foothold in the lending industry that it is now considered the "normal" process of business for lending. As a recent "newbie" to the real estate industry (I have been a certified appraiser for 5 years now), I can tell you that the Industry can not last at it's current direction. Everyone is copying the "AMC business model" and the results are overwhelming. People with no experience in real estate are starting AMC businesses, Appraisers who act as an AMC who add another "fee" to the borrower, because they too, want to get a piece of the pie. These results will only further destroy the market until there is nothing left. Fees paid to appraisers are at such a low level that it will be impossible for many appraisers to stay in business. Many appraisers are leaving this field because of the inability to charge for their services. AMC's have a fee that they will not pay more for and are able to hold to that fee due to their control over the appraisal ordering process. Today, there are many ways that banks and lenders can hire appraisers independently with knowledge that the appraiser is free from being influenced or pressured for values. The lender pays these appraisers directly; thus reducing costs to the borrower, as there is no middleman involved. AMC's at one time may have been a good alternative, they however, have become their own nightmares simply being another "fee" for the borrower to pay and providing little to no value to the

real estate market in general. I urge the Board to consider the customary and reasonable fee structure as a way to bring the real estate market back in line with sound business practices. Providing the homeowner with a valid and well-documented report that allows lenders to give out loans at acceptable risks. Without a sound real estate market, the US economy will never rebound and will only get weaker.