

From: Anonymous  
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Comments:

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I am pleading with you to listen to appraisers in regards to customary and reasonable appraisal fees. When I started my own business in 1998, I charged \$325.00 for a typical appraisal report. In 2008, although I had 10 more years of experience, my typical appraisal fee was \$375.00 (Standard) and \$425.00 (FHA). I justified the minimal increase in appraisal fee since I was able to profit more due to computer and digital technology and the utilization of a secretary and appraiser trainee. I was more experienced in my local market, therefore forming an opinion of market value took less time than it did at the beginning of my profession. Also for complex assignments, lenders were acceptable to appraisal fee increases due to the more time consuming analytical process. In my 11 years as a real estate appraiser before the implementation of HVCC in 2009, I had established a reputable business with numerous clients. While lender pressure existed, most of my clients were professional individuals who allowed me to do my job with minimal, if any, influences. While the implication of HVCC would resolve the lender pressure faced by many appraisers, the pressure still existed but in a different form. Appraisal Management Companies (AMCs) finally had the upper hand and they simply took advantage of the situation. Before the implication of HVCC, I worked for some AMCs at full appraisal fees however sometimes would accept a fee \$25.00 less than full fee. After HVCC went into effect, low appraisal fees and quick turnaround times were all the AMCs cared about. \$230.00 to \$260.00 appraisal fees with a 48 hour turn around time is simply unacceptable and its rare that an appraiser can prepare an appraisal report with due diligence in this amount of time. However, this is the criteria set forth by the majority of AMCs or you simply stopped receiving work. AMCs rate appraisers on their performance according to their standards and if your appraisal report was not completed within 2 days of inspection, exceeded 10% line, 15% net and 25% gross recognized lender guidelines, or was below or above AVM values, you sometimes just stopped receiving work for awhile if not permanently. Appraisal desk reviews possibly

were conducted by appraisers within the state of the subject of the report, however these reviewers were not local and may be located 50-100 miles away with absolutely no geographic competency in the market area. They reviewed appraisal work based on their personal opinions and not set forth by USPAP and put appraisers out of work by giving them low appraisal scores that kept them off the AMC panels for three or more months. Appraisers are simply a commodity in the AMCs eyes where the lowest fee and the quickest turn time gets the assignments. Many AMCs broadcast their orders via advertised orders where the quickest to click, gets the order. Some advertised orders don't even contain the street numbers, so appraisers are accepting these orders in violation of USPAP. I am a single mother of three children and am about three months away from getting foreclosed from our home in which I have paid a mortgage on for 10 years. With the implication of the HVCC in May of 2009, my business dwindled to less than \$1,000 per month. I couldn't work for 90% of my clients since I was not on certain AMCs list who were not accepting new appraiser applications or were charging fees to be placed on their panels. During this time, I went through my savings and my children's college funds in order to survive. I was forced to work for AMCs paying me \$230.00 to \$260.00 per appraisal report. By January 2010, I worked more than 10 hours a day in my attempt to get just 5-6 appraisal reports completed per week. Currently appraisal reports contain 4-5 comparable sales, 2 comparable listings and an additional Market Conditions form so much more time consuming than a few years ago. There is absolutely no way I could get more work out so this capped me at approximately \$1,300 per week in which I have to take out taxes and business expenses which include E & O insurance, MLS fees, appraisal transport fees, gas, ink and paper. That's barely enough to pay taxes, business expenses, utilities and food and definitely not enough money to pay for the mortgage that I was capable of paying from 1998-2009. I just want acceptable appraisal fees back. I want to be able to accept work by regular orders in which the AMC or lender assigns the order to the most qualified appraiser, not just the one who clicks the fastest. AMCs are a disgrace to the real estate appraisal profession. If customary and reasonable fees are established by independent fee schedules as found with Veterans Affairs or Wintotal Ala Mode, the AMCs would then just maybe start hiring the most qualified appraisers with the most experience in the local market area to produce the most credible appraisal reports. Please do the right thing and implement customary and reasonable fees as soon as possible with high penalties for any AMC that tries to pay less. This needs to apply to Staff Appraisers as well as this will be the new trend for the greedy AMCs. Many banks pay their Staff Appraisers significantly less than Fee Panel Appraisers since they're also paying for the appraiser's expenses and benefits. The Staff Appraisers typically have their pick of appraisal assignments and leave the hard assignments to the Fee Panel Appraisers. These complex assignments then get audit reviewed and depending on the Reviewer, a Fee Panel Appraiser could get crucified even after spending quality time producing a credible report with due diligence. Please do the moral thing and honor customary and reasonable fees set forth by independent studies. Appraisal fees should be fees that were paid to appraisers before the implication of HVCC in May of 2009 when majority of us worked independently and not through AMCs. The appraisal fees should actually be higher than from previous years due to the more complex lender requirements. I am sending this letter anonymously since I am afraid of getting blacklisted from the three AMCs I currently work for if they found out about my concerns for customary and reasonable appraisal fees. I have been a state-certified residential appraiser for the state of Florida since 1996 and truly enjoy my career however am upset that I can not truly work as an independent appraiser making a decent living.