

From: Julio Sune
Subject: Regulation Z -- Truth in Lending

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Subject: Dodd-Frank with Presumption 1

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Ladies and Gentlemen:

As an appraiser for 32 years, I have never seen a more blatant convulsion of TILA in my life. The Fed's interpretation of Dodd-Frank with Presumption 1 is a total disregard for Congressional mandate. Have you forgotten who is footing the costs of this travesty?

The weakly veiled capitulation to lenders and AMCs is widely apparent to those of us in actual practice. The defense that there are six or seven conditions that must be met is so far tilted to those who are guilty it is laughable. The actuality that is occurring in the marketplace is that the lenders and their AMCs have large staffs by which to continually bully, coerce, and ultimately blackball an appraiser that is well-versed in Presumption 1. As soon as the AMC is challenged by the appraiser, that assignment is withdrawn and sent to a more compliant and less experienced appraiser. The knowledgeable individual then hears no further from that client.

Make no mistake, there is a monopolistic tone to all of this fostered by TAVMA. I have in my possession numerous HUD 1 statements that clearly show what consumers have been paying in appraisal fees. In legalistic terms, an appraisal is conducted by the appraiser. Therefore, direct and intentional acts by lenders and AMCs have served to confuse and actually mislead the American consumer regarding loan transaction fees.

Your "interpretation" of a safe harbor for lenders and AMCs has the effect of continuing hidden costs to borrowers. Fees paid by borrowers have not decreased, but the fee paid to the appraisers has most certainly been reduced. The consequences are shameful.

The WaMu/eappraiseit lawsuit continues in New York right now. The basis of the case is manipulation of appraiser's lists. It is my opinion that Presumption 1 allows that to transpire on even a larger scale.

The solution? The fees paid by borrowers in the recent past ARE the customary and reasonable fee. Even consumers understand this very simple concept.

Julio E. Suñé, Jr.