

From: Foundation of Real Estate Appraisers, Michael A Crose
Subject: Regulation Z -- Truth in Lending

Comments:

Date: Dec 14, 2010

Proposal: Regulation Z - Truth In Lending Act
Document ID: R-1394
Document Version: 1
Release Date: 10/18/2010
Name: Michael A Crose
Affiliation: Foundation of Real Estate Appraisers
Category of Affiliation: Other
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

I just do not understand why The government should have a role in setting an appraiser's fee. Government creep and intrusion into the profession has had an unintended consequence thanks to the proliferation of AMCs (Appraisal Management Companies). The AMCs and their ridiculous fee split policy of taking an inordinate amount of the appraiser's fee for "management" has led to a race to the bottom concerning quality and professionalism within my industry. The user of the appraisal report has not intended nor do they understand that almost half, sometimes more, of the appraisal fee is not paid to the person or company that is actually preparing, researching and completing the actual appraisal product. The biggest injustice in our industry right now is the actual believe that AMCs should have any role what so ever in determining a "reasonable and customary fee". The damage caused to the appraisal industry by AMCs "fee splitting" (stealing) over half of the appraiser's compensation over the past 1 and 1/2 years should be proof enough that they should be excluded when determining "customary and reasonable fees" paid to the appraiser. My fees have remained the same since 2003 until they were cut by 40% or more in 2010 on all assignments that where generated by an AMC. This industry wide phenomenon has led to an exodus of qualified appraisers (I will soon be one of them) and a dearth of new apprasier trainees.