

From: Deborah Pearson
Subject: Regulation Z -- Truth in Lending

Comments:

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Proposal: Regulation Z - Truth In Lending Act
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December 16, 2010 Dear Sirs: In reference to "customary and reasonable fees" please find the following. I am showing our current fee, the AMC's current fees and the fees we received in 1997 (13 years ago) before working with AMC's. We have worked for AMC's for nine years now. We are mostly rural appraisers, whom in years past received greater monies than typical fees due to the distances we have to travel. Please find the following information concerning the services we render, our reasonable fees, the AMC's reasonable fees and the fees we received in 1997 prior to working for AMC's: Service:
Ours: AMC's : 1997: Trip Fee \$100-\$150 \$45
\$50 1004 \$350 \$270 \$250 1004
FHA \$425 \$345 \$325 1007 \$100 \$25 \$75 216 \$100 \$25 \$75 2055
\$400 \$175 Appra Update \$250 \$100 \$100 Convert to FHA
\$75 None \$100 Cancelled Order \$75 None 1004 rural properties with
acreage \$450-\$500 \$270 \$350 Complex Properties Case by Case \$270
Case by Case As you can see, there are several services we receive less or just slightly above 1997 prices. This list is more complete than any survey I have taken concerning fees. There are many fees in question which hurt our businesses when we are so short changed and these fees are not being taken into consideration by anyone. The issues working with AMC's are: They require we call the borrower within 24 hours (This sometimes pushes people into the loans they may not have made a decision about yet, using our resources to call them. We get no fees for calling borrowers even if try to contact them for several days) If complain about fees they quit using you If you turn down an order due to fees, they quit using you They want 24 hour turn time after inspection (difficult for rural properties) Continually drop the prices they pay for services Give you 4 hours to accept an order or lose it (need staff to keep up with) Some have systems you have to look at every 10 minutes to possibly get orders If orders cancel we get no fees. We might spend 2-4 hours gathering data, making calls, faxes, e-mails, creating files, etc. and receive \$0 for our

time. This happens almost daily. (no other profession I can think of does this) Each AMC's has different requirements and technologies to keep up with. Our "profession" is so regulated and complex yet nobody is looking to see if we are able to even make a living. We pay staff just to try to get orders, yet I have no health insurance, no life insurance, no retirement, and no savings because of our nine years of working with AMC's. Is this what a "profession" is supposed to look like? What will it look nine years from now? Will there even be appraisers? Do you want there to be appraisers? I understand the AMC's need money too and I applaud their role in the marketplace. I understand the problem is borrowers have to pay closing costs up front and they have issues coming up with money. This is causing issues in pay raises for appraisers and AMC's. I think a better solution is to create a line of credit for buyers to use for upfront closing costs. This should be a win/win for everybody. The fees could be financed which would make the lending institutions happy, the AMC's could get their cut and the appraisers could make a living and keep this profession going into the future. I truly believe you will have to make AMC's pay us our fees or they will not do it. Everyone is in business and we all need to make money in order to do our jobs and stay in business. It must be equitable for all parties concerned not just a few entities in order for the system to be sustainable into the future. Thank you for your time. Sincerely, Deborah Pearson