

From: Stephen J Blanchard
Subject: Regulation Z -- Truth in Lending

Comments:

Date: Dec 18, 2010

Proposal: Regulation Z - Truth In Lending Act
Document ID: R-1394
Document Version: 1
Release Date: 10/18/2010
Name: Stephen J Blanchard
Affiliation:
Category of Affiliation: Commercial
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

Use the VA fee schedule as the customary and reasonable fees for appraisals. Make it a law and regulate it. Since that is what HVCC is all about over regulation. The unintended(or most likely the intended) consequences is it has caused the cutting of the fees for the average appraiser. If we are to be the firewall for the consumer to prevent bad lending practices then we need to be paid a fair and reasonable fee to produce a report that is accurate, not completed as fast and cheap as possible. HVCC has made the AMC's Gods, kings and pimps of the appraisal process. It is most likely the only business in the nation that the small business person can not make a living based on merit of the quality of his or hers quality of work. Appraisers responsibility in the loan process is to make sure that the consumer is not buying a lemon and the lender is not buying the same lemon. AMC's discount fees paid to the appraiser and appraisal quality has suffered. Appraisers are coming far distances to do appraisals in this area. They have no idea what is going on & not familiar with the market area. Good appraisers in the area won't accept the cut rate fees and unreasonable turn-around times. The approval of fair & reasonable fees (VA based) would help appraisal quality by using knowledgeable local appraisers yo protect the consumer. The majority of AMC's don't care about anything but fast and cheap. The consumer is receiving a product that is not good quality. The work has gone to the lowest bidder and the consumer is paying a for a bad quality product. The AMC's thanks to HVCC have screwed the American consumer. Screwed the appraisers. The AMC's have become Gods and are the only ones that make a fair and reasonable fee. HVCC and now Frank/Dodd has covered up the mistakes of those in power to make it look like that something has been done to correct the problems of the past. The appraisers are a small lot compared to the rest of the lending/real estate industry so we are the ones who have to pay the price. Because we have the smallest voice out there. The appraisal profession is near the end of being the firewall to protect the integrity of the lending process. Now that the AMC's are the Gods of the industry they

demand that the scope of work, the report requirements they want is also out of control and creeping/expanding. It has gone from the standard practice to include items that do nothing but make more work for the appraiser and keep some underwriter, reviewer at the AMC employed at the time and expense of the appraiser. Since it seems that government has the need to make sure that the little guy is protected. Then make the fees based on the VA schedule the regulated rate. Protect the consumer by ensuring that the appraiser only will have to do one to two reports a day to make a decent living. As appraisers we are still getting the 1990's fees. We can not go out and sell our quality to the local brokers, lenders & banks the way all of the rest of the business in America can do. We are at the mercy of regulation and a third party to survive. Quality of work is not a factor.