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I think a big part of the intent of HVCC was to separate the appraisal ordering process from the loan origination office (Bank, Mortgage Broker). Naturally appraisal management companies were in the best position to execute that change. The problem I see however with bank "in-house" appraisers and their hand picked fee panels is that it is just more of the same. There are banks in my market that have hand picked all their appraisers and offer their loan officers multiple AMC panels to choose from, all resulting in somewhat predetermined results by not allowing for qualified outside appraisers access to orders. Ultimately you end up with only those appraisers who can be relied upon to overlook property deficiencies and provide a "good number" doing business. For all GSE appraisals some sort of rotation should be made through a list of qualified appraisers. More review appraisals, ordered at a reasonable fee, should be REQUIRED to weed out incompetent appraisers or to at least correct any errors. The banks figured out how to eliminate their overhead for underwriting and ordering appraisal products by owning or using AMCs. They also use alternative products instead of appraisals requiring inspection of the subject property, thus leaving only the most difficult assignments for the fee appraiser and usually at fees too low to sustain a business over the long term. Much of the time lenders mandate that only the certified and license appraiser complete the assignment. This makes the business model sketchy, trainees a thing of the past and has caused many good appraiser to leave the business without handing the baton to the next generation. My main point is that given the opportunity people are going to game the system if allowed to set-up their own panels either by themselves or through their surrogate partners. That can be solved by just two things: A rotation through all appraisers wishing to participate in a market for GSE appraisals and by extensive review of those appraisers wishing to participate. There will be a fee for that.