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Please forgive me if this is lengthy. I'm rather disappointed in the interim final rule as released on Oct. 18. The law appears to have been watered down since the initial release this past summer. If lawmakers are looking to achieve the status quo, they appear to be heading in that direction. There has been no difference in the behavior of AMC's towards the fastest/cheapest business model. Borrowers are still paying more for appraisals than they ever have. AMC's are still adding their fees onto the back of the appraiser. A fee for a service that the banks choose to use, not the appraiser, and not the borrower. This should not be taken from the appraisal fee while misleading the borrower into believing that their money was paid for the appraisal, where in many cases, 50%+ was paid for a firewall which the banks own, and profit off of. Appraisers still wait 60-90 days to (hope) to get paid. Appraisal pressure is just as strong as ever, and now the people who control the appraiser's income get to hold on to it for 60-90 days in case the appraiser decides he's not willing to "work with" the client. In that case, the order gets cancelled, even though it was completed, and the appraiser has worked for nothing. The appraiser has no recourse but to take a loss, or, due to the limited number of AMC's, lose a good portion of their income. The new interim final rule doesn't address many of these concerns in any way that will change the status quo. Much of the interim final rule appears to be just vague enough to not be enforceable. The banks/AMC's have somehow argued successfully that they don't know what is customary and reasonable for an appraiser's fee, although it's available on HUD-1's, both prior to and during the HVCC, as well as numerous independent fee surveys taken in the past few years. Somehow, AMC representatives have argued that their fee's are customary and reasonable, although they control the vast majority of the residential lending appraisal work.

That is not considered to be a market rate fee when one group controls the vast majority of the work and sets the prices based on who is willing to work cheapest out of sheer desperation. In my state alone, about 30% of the residential appraisers were starved out of business by the haircut that has

been forced upon them since the advent of the HVCC, and the rise of the AMC's to become the super majority of appraisal work providers. Many experienced, professional valuers have moved on and won't be returning. While appraisal pressure to increase the value has declined sharply, the pressure on appraisers to do things that they never would have done before is even stronger now. Underwriting has far too much influence over how an appraisal is performed. There are inexperienced, non local, non professionals telling trained, experienced, licensed/certified professionals how to perform their work. There have been many cases of appraisers explaining that a square peg doesn't fit into a round hole, only to have the order cancelled, and the appraiser loses pay for their time, as well as future work because they weren't willing to "work with" the client. This "square peg in a round hole" leads me to another concern, which is the use of AVM's. Due to a lack of homogeneous properties, this is a bad idea. I strongly urge against increasing the use of AVM's for any purpose other than a backup or second opinion. Spain is currently reaping the rewards of having homes valued all over the page. In my opinion, appraisers are one of the only checks and balances in an industry that has proven itself time and again to be ripe with opportunists who are not concerned with laws, only profits. Yet in this real estate industry, the appraiser is highly regulated, but has no protection. If appraiser independence is to be achieved, the appraiser's fees have to be taken out of the equation. If a lender, or their representative (AMC) has control over the appraisers finances, then influence will be possible, and in some cases, probable. This is paramount to real change. We are professionals, if we no longer have to worry about our fees, then many of the problems facing valuations in the American real estate market will clear up as well, and a superior product can be supplied. This will benefit all in the long run.