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Subject: Regulation Z -- Truth in Lending

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Comments:

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While we are in favor of real estate appraisers being compensated at a level that fosters professionalism and well documented appraisal reports, we do not believe it is possible to establish a fee schedule that is, except on an average basis, reflective of the complexity of each appraisal assignment. Unlike the recent past when there were many comparable sales, market values were on the rise and there was no market stress, today every appraisal is complex. Although today's assignments might involve the same subject, the subject's market is in most cases in distress. Many short sales, repossessions, relocations and REO sales in a declining market make developing an opinion of value extremely complex. Today, it requires time and diligence to gather appropriate and sufficient data, analyze that data and support an opinion of value. Today, the typical appraiser with 5-8 years of experience in a very predictable market is ill-equipped to work in a complex environment. As such, we would discourage the use of any form of fee schedule in favor of a bid protocol where geographically competent, well qualified appraisers can evaluate the assignment and bid based upon its complexity. The appraisal industry has inexpensive, extremely secure software that permits bidding. Further, it is not in the public's best interest to offer every appraiser the same fee for the same assignment (a fee schedule). Paying the same fee to every appraiser makes the erroneous assumption that every appraiser is equally qualified. This is misleading to lenders and to borrowers. If the opinion of value is incorrect (high or low), it negatively impacts both. Further, paying every appraiser the same fee discourages professional development. Paying every appraiser the same fee ignores an appraiser's professional qualifications and in particular their an appraiser's designation(s). We encourage the Fed to require lenders to engage designated appraisers whenever and wherever possible and only use lesser qualified appraisers when there is no other choice. The present language is far too weak. As an AMC owned and managed by certified, designated appraisers, we provide our clients with access to the most competent and most qualified appraisers. When our designated appraisers complete an

assignment and arrive at their final opinion of value, that opinion is well supported. It is an opinion of value that our clients can use confidently. Anything less would not be in the best interest of the public and indeed those that guarantee many of these loans. Thank you for an opportunity to offer our opinion. If you have any questions, please contact us.