

From: John C. Fittipaldi
Subject: Regulation Z -- Truth in Lending

Comments:

Date: Dec 23, 2010

Proposal: Regulation Z - Truth In Lending Act
Document ID: R-1394
Document Version: 1
Release Date: 10/18/2010
Name: John C Fittipaldi
Affiliation:
Category of Affiliation:
Address:
City:
State:
Country:
Zip:
PostalCode:

Comments:

Before HVCC took effect I had a business that I made a pretty good living with. I had seven full time appraisers working for me and our operation delivered a quality product that I was proud of, and that my clients used to fund thousands of loans. Since HVCC took effect I have had to let all my appraisers go and I now work by myself. I can no longer afford to pay my bills and my credit has taken a turn for the worse. I am totally disillusioned with the entire business and I fear that I will have to close up my shop and go out of business. I could tell you horror stories about working with appraisal management companies that would make you cringe, but it would serve no purpose. It's my opinion that they are not going away, so as appraisers we must figure out how to co-exist with the appraisal management companies and still make a decent living. The fact that appraisal management companies use the least expensive appraisers can not work. The quality of the appraisals suffer and the good appraisers are penalized and do not receive appraisals. This must be rectified immediately, but how can you tell an appraisal management company that they are not allowed to make a profit. One way would be to let the appraiser set the fees, collect the fee and then pay the appraisal management company a reasonable fee. Most of the appraisal management companies I do appraisal for do not even disclose to me how much they are charging the consumer. I can tell you that when there is a complaint about the fee, the first thing the consumer does it call me. They are under the assumption that I am getting the entire fee. Another possible solution is to let me negotiate my fee with the consumer and let the appraisal management company get paid directly from the lending institution. Let the appraisal management companies wait forty five days for their fees, the way they make us wait for our fees. It took one appraisal management company ninety days to pay me for eleven appraisal I did for them and when I questioned them they stated that they had not receive the payment for the ordering party. I told them that this is not and should not be my problem. I delivered an acceptable appraisal and I should not have to wait for my payment. If things do not change and quickly there will be no quality

appraiser left and the entire industry will suffer as a result.