

From: J & J Appraisals, Jeff T. Rosen
Subject: Regulation Z -- Truth in Lending

Comments:

Date: Dec 27, 2010

Proposal: Regulation Z - Truth In Lending Act
Document ID: R-1394
Document Version: 1
Release Date: 10/18/2010
Name: Jeff T Rosen
Affiliation: J & J Appraisals
Category of Affiliation:
Address:
City:
State:
Country:
Zip:
PostalCode:

Comments:

Feds: Please do something about our problem with Appraisal Management Companies (AMCs). This fairly-new set-up has really screwed up our industry !! Appraisers need "reasonable and customary fees" put into place ASAP and the AMCs need to be either eliminated or properly regulated. AMCs are not the supposed "firewall" between lenders and appraisers they were promoted to be. I and others at my office have been hinted, asked and even told to change things on appraisals to keep the AMCs' lender clients happy. Outrageous!! Illegal !! Against USPAP !! Downright fraud !! Don't do it and you'll not be getting any more orders from us. And where did we complain to? Nowhere, because there is nowhere to complain to after all this time !! I did file a complaint with my state's OREA, but they told me they presently have no jurisdiction over AMCs. Most of the AMCs seem to have a fraud complaint line, but that's the foxes watching the henhouse. 95% of these AMCs are immoral, unethical and bad for the industry. Borrower pays \$500 for an appraisal. Appraiser gets paid \$200. What's wrong with this picture????!!!!!! And any appraiser that does a full appraisal for \$200 is either desperate, new to the industry or is just giving partial effort ("you get what you pay for"). One final note to consider. When reading these write-ups, please keep in mind all of the letters that would have been written had thousands upon thousands of good experienced appraisers not left the business in the past year+. In California alone there have been over 2,000 appraisers not renew this past year. Think about it. In this economy I don't think 2,000 appraisers left the business just because they found great jobs available elsewhere. They (most) left because the AMC business model of taking away most of their business and replacing it with half-fee take-it-or-leave-it appraisal ordering by non appraisers has come into place. We need help federal government. Please do it, not just for us but for the real estate industry as a whole. The appraisal system has been broken the past year or two. It worked fine before (easy lending no document liar loans were the main culprit of the bubble), but if it has to

change pls. have it change to something reasonable, like a strongly enforced "reasonable and customary fee" structure. THANK YOU !!!!!!!!!!!!!