

From: Pat Bange
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: Pat E Bange
Affiliation: Residential Real Estate Appraiser
Category of Affiliation:
Address:
City:
State:
Country:
Zip:
PostalCode:

Comments:

12/27/2010 I am a Certified Residential appraiser with over 37 years of experience. The reasonable and customary fee for an appraisal in my rural community of Oregon was \$400-450 in 1995. The reports are now twice as long as in 1995. Today my fee is still the same, \$400-450, and I get passed up by most AMCs with the order going to one of the 53% of the appraisers who were not in the business 15 years ago. Many of them are located in other counties with no knowledge of this market, but willing to take the assignment for \$335 because they don't even know what their services are really worth. The most knowledgeable appraisers have moved on to commercial appraising or left the industry for higher incomes that meet their investment in education. Regulation has given permission for these AMCs to continue to hurt this industry by trying to obtain the cheapest appraisal possible and make money on the backs of the appraisers...many who are not qualified. The AMC uses "callers" who order the appraisals. These people have little training and no understanding of the industry and likely are making very minimal wages...again so the AMC can make a killing on this government sanctioned fleecing. These callers never understand the terminology "complex assignment", which means something other than the cookie-cutter urban/suburban property they are use to seeing in their metropolitan areas. Their only question is "how much and how fast" then they keep calling and comparing fee and speed, never locational competency or experience. Last week, the caller could not understand when I tried to tell her that the property is "sub-dividable" and that makes a difference as to how the assignment and ultimate value should be approached. She said she did not know the meaning of the word "sub-dividable" and still did not understand after I tried to explain the subject's lot size and zoning. I'm sure the AMC just re-assigned it to a out-of-town appraiser with little experience just to make their desired fee. The property owner, the industry and FNMA will be the losers without an adequate appraisal report. Today, an AMC caller wanted me to go into the crawl space and verify that repairs have been done according to the understructure inspector's recommendations and sign off for an FHA loan. What

repairs? and what inspection? Appraisers are not qualified for that, I'm NOT a house inspector or a contractor. I never in the previous 37 years had to work with such ignorant people who know nothing about the industry or the clients/loans they are servicing. Everyday I encounter new people with more ignorance. There is no way for communication if the property is something other than the assignment dictates or there is error. There are so many people in each of these AMC's, that I can never talk to the original caller to get a problem solved....it's worse than the customer service you would expect at Walmart! Of course, Landsafe/BofA is the only AMC that has ever tried any pressure on me for a value since HVCC, but of course, they don't call any longer and have THEIR OWN appraisers. Lot of good the regulations did! Wells Fargo appears to operate in a similar fashion. If the intention of HVCC was to separate appraiser from lender influence, then how are these big banks allowed to continue directing as they want and also reaping the additional benefits that their own AMC companies are making? Solidifi is the only AMC I have experienced that operates in a very agreeable and professional manner. I am absolutely sure that the direction the government has taken with the controls put on this industry is not going to reap good quality appraisals and sound lending practices. The big banks and the AMC's will reap the benefits of those actions and the rest of us are the losers. Pat Bange, SRA