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Subject: Regulation Z -- Truth in Lending

Comments:

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Proposal: Regulation Z - Truth In Lending Act
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Comments:

As the overwhelming majority of residential appraisals for lending purposes are now administered by a handful of Appraisal Management Companies these same companies have become invested in and slave to the appraisal results, and these AMC's have corrupted the appraisal ordering process and made it so that professional appraisers whose intent is to truthfully report all that is relevant to the valuation of a property can be anonomously and systematically bullied by the threat of blacklist, downward fee pressure and unreasonable turnover times. Non compliance means the end of work flow to the Fee Appraiser from the AMC with no stated reason or appeal process in place. The results have been that some appraisers will under report: fill out forms by rote with boiler plate comments that are so vague as to be applicable to almost any assignment, accept a split fee that was reasonable 20 years ago and work 7 days a week in order to turn over reports in less than 3 calendar days from date of assignment. The consumer is not well served or protected in the current scenario. The fix is obvious to me, the so called 'skin in the game' approach. Mandate that lenders hold 30% of their originated loans in their portfolio, these 30% should be blindly selected and/or chosen by the GSE's as unsecurable and sent back to the originators in the 1st year of the loan. The commercial banks would react by rebuilding their risk assessment / collateral valuation departments which would open job opportunities for appraisers and give us a viable alternative to being 'hired guns'. I have been a Fee Appraiser and worked as an employee for large commercial banks. It is my opinion that I was much better trained, continually educated and free to be objective and truthful as a bank employee. Theres my 2 cents, hope it makes sense to whoever reads it. Thanks for the opportunity to comment and forgive my misspells, syntax and punctuation errors. Sincerely submitted Mark E Osburn