



BREAKING NEWS

From Gary G. Maider

This may very well be the most important news you read today!

What you should know about the HVCC (Homeowners Valuation Code of Conduct) and how it affects your valuation needs.

As with most lenders, I'm sure that your company has been scrambling to understand and comply with the Homeowners Valuation Code of Conduct (HVCC) the OFHEO has agreed to implement on January 1, 2009. This regulation will change the way you secure appraisal valuations in the future.

Mr. James Lockhart, former director of OFHEO and now director of the new Federal Housing Finance Agency, during a recent congressional hearing regarding Fannie Mae and Freddie Mac, told the House Financial Service Committee that implementing the HVCC agreement has "taken us longer than we expected". Lockhart admitted that the deadline may be delayed one to three months and that potential changes to the agreement are still being worked out. Also, considering the recent financial and banking crisis, there may be added delays.

This delay will give lenders and managers some additional time to make the RIGHT choices of how to comply with the HVCC's "firewall mandate".

This so called "firewall mandate" will eliminate communication between the originator and lender of a Federally Related Mortgage Transaction and the Appraiser who values the property. You will no longer be able to select the appraiser you want to use.

Many lenders are in the process of outsourcing this process to Appraisal Management Companies (AMC) and similar vendor managers.

You may be aware that the AMC's income is derived from the appraisal fee. Most AMC's keep as much as 40-50% of the fee you pay for this service. This, in turn has the affect of driving down Appraiser income by the same amount since it usually comes directly out of the appraiser's pocket.

The economic and housing down turn has decimated the appraisal industry as well and the banking and mortgage business. Many (if not most) of the former State-Certified Appraisers have left the business to support their families with alternative careers.

When the mortgage business turns around, there may be little or no economic incentive for former and new appraisers to come back to the business. It is highly likely that a shortage of qualified licensed appraisers will cause a bottleneck in the mortgage process.

Please allow me to propose a solution

The a la mode's newest version of the Mercury Network will allow you to comply with the HVCC's "firewall mandate" and still allow appraisers to keep most of the appraisal fees they earn. It is centrally managed and compliant with all the new regulations. They have a vast coverage network in all 50 states since the network has been developed by the largest appraisal software provider in the US. All appraisers in the Mercury network have Appraiser XSites which provide electronic ordering, order tracking and appraisal delivery using all available mortgage plugins.

The best of both worlds. HVCC compliance from happy qualified appraisers.

Please check out the [Mercury Network](#) before you make YOUR vendor management decision.

The reason I prefer the Mercury Network is I can keep my full appraisal fee and pay less than \$15.00 to process the transaction. A fee less than 5% will keep me in business serving my clients with QUALITY ON TIME performance.

Thank you for your time and consideration. Please feel free to forward this message to individuals in your vendor management and compliance departments.

Regards;

Gary G Marder
State-Certified Residential Appraiser RD689; Florida
maiderappraisals.com

Questions?

Please don't hesitate to contact us at www.maiderappraisals.com or by phone [\(813\) 237-2033](tel:8132372033) if you have any questions about ordering appraisals, the Mercury Network or the XSites Network. The Mercury Network and the XSite Network are trademarks of a la mode, Inc and are not affiliated with Gary G Marder.

www.maiderappraisals.com Ph. (813) 237-2033