120 2nd Street NW
Sidney, MT 59270
Ph: 406-433-3212
Fax: 406-433-3235

1st Bank

PO Box 347
Broadus, MT 59317
Ph: 406-436-2611
Fax: 406-436-2604

August 21, 2012

Board of Governors of the Federal Reserve System
ATTN: Jennifer J. Johnson, Secretary
Washington, DC
regs.comments@federalreserve.gov

RE: **Docket No. R-1443 Appraisals for Higher-Risk Mortgage Loans**
RIN 7100-AD90

Members of the Board:

Paragraph 2 of your Higher-Risk Mortgage Loan proposed rule does not present a problem for bankers, in my opinion. However, in some rural areas of the United States, finding a certified or licensed appraiser without a full schedule is a problem. Requiring a certified or licensed appraiser may add 30, 60, or even 90 days additional time to close for the consumer.

Paragraph 3 raises total havoc with a transaction. First, as a lender, why is it my responsibility to determine if the sale is at a fair price for the consumer? Also, why should this determination be at the bank's expense? In rural America, most bankers know where (at what price) the housing market is at and do not need a second opinion at their own expense. Also, this requirement would add even more days to close the transaction.

These types of regulations lack a common-sense analysis. 1st Bank in Sidney and Broadus, Montana, quit making housing loans earlier in 2012 due to all these new regulations. I have been told that many community banks have done the same. How has this benefited the public—the consumers you are always trying to protect? What happened to consumers being accountable for their personal decisions and actions?

Sincerely,

John L. Franklin

John L. Franklin
President & CEO

JLF/wc