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Comments:

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I object to this proposal on philosophical as well as practical grounds. Do you people get up in the morning and think "Hmmm, what 'problem' should I fix today - appraisers' income or appraisers' LDL/HDL cholesterol ratio?". I know you have the legal authority to micromanage every aspect of the lending business, but is there no end to the arrogance that is involved when presuming to know everything about everything? The free market can solve this so-called problem, although the development of the HVCC certainly complicated it. As in most areas of life, you get what you pay for. Low appraisal fees mean, on average, shoddier appraisals. Good appraisers won't work for free (which is why I never look to pay the least). Prior to the HVCC, moron appraisers couldn't get much work. Post-HVCC, the moron appraisers got themselves affiliated with appraisal management companies (by agreeing to work cheap). It will, therefore, take longer for lenders to abandon entire AMC's for their hiring of moron appraisers than it takes to simply abandon a single moron appraiser. Eventually, though, the morons will be run out of the business and the good appraisers who remain will only work for fees that they deem reasonable. Problem solved. An even bigger problem (besides the issue of where the hell you get off) is all of the time, effort and money that will be expended behind the scenes trying to ensure compliance with such a nebulous concept as "usual & customary". I doubt you'll believe this but every single act of micromanaging by the Fed results in higher costs to the borrower, the good intentions of the Fed notwithstanding. The number of people employed in the mortgage industry to ensure compliance with minute technicalities has mushroomed. They don't work for free, and the costs get passed on to the consumer. There are legitimate areas for regulation. This is not one of them.