



July 21, 2011

Ms. Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve  
20th Street and Constitution Avenue, N.W.  
Washington, DC 20551

Re: Docket No. R-1417: Truth in Lending Act Amendments – Minimum Standards for Consideration of a Consumer's Ability to Repay

Dear Ms. Johnson,

Regions Financial Corp.<sup>1</sup> appreciates the opportunity to comment on a proposed rule amending the Truth in Lending Act (15 U.S.C. §§ 1601 *et seq.*) that would require creditors to determine a consumer's ability to repay a mortgage before making the loan and establish minimum mortgage underwriting standards. In particular, Regions would like to comment on one specific area where we feel the proposed rule places undue hardship on consumers. Our specific comments are outlined below.

**Exception for Refinancing of a Non-Standard Mortgage - §129C(a)(6)(E)**

The overall intent of the proposed rule is to prevent creditors from making mortgage loans to consumers without regard to the consumer's ability to repay the loan. We feel the exception for refinancing of a non-standard mortgage should be expanded to allow lenders to refinance a non-standard mortgage that they did not originate or are not servicing. Consumers will be adversely impacted based on the way the proposed changes are written if only the originating lender or servicer of the loan is permitted to offer the refinance transaction under this exception. The larger lenders and servicers have consumers who have waited up to 180 days to complete the refinance transaction due to the volume of requests the consumer's original lender/servicer is processing. Other lenders have been able to step in and assist these consumers with their refinance of a non-standard mortgage resulting in the consumer's ability to benefit from the refinance in a timely manner. We feel that if the consumer has not had any late payments on their current mortgage and we are refinancing the consumer's non-standard mortgage into a standard mortgage as well as reducing their monthly mortgage payment, then we have met the intent of the proposed regulation. Whether we originated or serviced the consumer's non-standard mortgage should not be a component as we have improved the consumer's financial position with a more stable mortgage product and lower monthly payment.

Regions Bank appreciates the opportunity to comment on this proposal. If you have further questions please contact Barbara Brown at (205) 560-7568.

Sincerely,

**Barbara Brown**

Barbara Brown  
Senior Vice President  
Regions Mortgage  
Regions Financial Corporation

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<sup>1</sup> Regions Financial Corporation, with \$132 billion in assets, is a member of the S&P 100 Index and is one of the nation's largest full-service providers of consumer and commercial banking, trust, securities brokerage, mortgage and insurance products and services. Regions serves customers in 16 states across the South, Midwest and Texas, and through its subsidiary, Regions Bank, operates approximately 1,800 banking offices and 2,200 ATMs. Its investment and securities brokerage trust and asset management division, Morgan Keegan & Company Inc., provides services from over 300 offices. Additional information about Regions and its full line of products and services can be found at [www.regions.com](http://www.regions.com).