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Requiring a large down payment will bring a severe hardship to the housing market and to home buyers and home sellers. It is not an essential requirement for loan quality, and it will likely bring hardship to new home buyers who will exhaust savings that might have been needed for emergency, home repairs, or some other economic decision. We will tie up a good bit of liquidity into home purchases, and impact middle class families by denying them access to home ownership and the prospects of a rent free residence. Other standards can better accomplish credit quality goals. They already have. This proposal sets the US housing market back by 40-50 years. Most people fall behind on their mortgages when their income situation changes, not because they "lied" on their loan application. Even these mythical "liar loans" have a place in business, just ask the person to put down 25% down if he doesn't want to show income, this should be a good way to decrease the risk. This is a capitalist county, if there is nobody buying this type of mortgage in the secondary market, this type of loan will go away. You don't need a new federal agency for it!! It's RIDICULOUS! It shows complete IGNORANCE about the housing market by Dodd and Frank. Creating a new government agency in this market will kill the overall housing market, put huge burden on the homebuyers and will suffocate our country's recovering economy in a bunch of red tape. In my personal opinion, this law is a pure and simple SABOTAGE of the US housing market and must be repealed!