

From: Leonardo Margilaj
Subject: Reg Z - Truth in Lending

Comments:

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Name: Leonardo Margilaj
Affiliation:
Category of Affiliation:
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

To Whom It May Concern: In your efforts to improve and simplify mortgage transactions for borrowers by removing Yield Spread Premium you are going to not only hurt the mortgage industry directly but also borrowers and the economy. As mortgage brokers, we obtain money from lenders at wholesale prices. In return, we sell this money to our borrowers and make a small profit which pays for our efforts, rent, lights, phones, employees and other costs. By removing the YSP mortgage brokers would be forced to downsize. More people would lose their jobs; more commercial buildings would become vacant and end up in foreclosure, and less borrowers would apply for loans. It would cost them more to get a mortgage since the disappearance of the YSP would result in an increase of mortgage transaction fees. Your effort to do a good think would only cause greater harm. I hope you rethink your strategy and decide to keep the YSP in place as it has been. Regards, Leonardo Margilaj