

From: Eric R. Barber
Subject: Reg Z - Truth in Lending

Comments:

Date: Dec 01, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
Document ID: R-1366
Document Version: 1
Release Date: 07/23/2009
Name: Eric R Barber
Affiliation:
Category of Affiliation:
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

Mortgage brokers earn ysp, also banks earn ysp they just call it "SRP" and do not disclose it. Federal Charters do not disclose it either. Why would you eliminate ysp from brokers and not from banks? That seems unfair and un-American. You allow banks to make money on the back end of loans and not even disclose it to the consumer on the good faith estimate??? How is that justified. It sounds like instead of blaming the "Banks" and the government for the mess we are in, after all the government is the one who told Freddie and Fannie to make more credit available to homeowners and ultimately created the stated income loans, you are trying to place blame on the mortgage brokers? Mortgage brokers do not create the loans that caused the mess, they are nothing more than a "middle man". The loans were created and insured by the banks! Brokers do not underwrite loans? The Banks underwrite loans...why are you not blaming the Banks for this mess...maybe you should have people that have worked in this industry for the last 10 years create the rules and regulations, obviously you have NO idea of how a broker works...you are blaming the wrong people. YSP pays for borrowers closing costs by increasing their interest rate. Bottom line. If you eliminate it borrowers will have to not only come up with the huge down payments that are required to purchase a home but also have to come up with all of the closing costs as well...how in the world is that going to help and unload the millions of homes on the market? You will cause further damage to the economy by raising the unemployment level to a number you cant even imagine. 270,000 mortgage brokers in the US, not to mention all of the account executives, processors, underwriters, IT departments, internet and phone service providers, mortgage lead companies, ext..ext..ext..that will be put out of work..YOU ARE INSANE if you pass this bill. Hire some people to advise you that know how banking works instead of the politicaly motivated staff you have now! You are trying to create a monopoly in the banking industry, allowing the big banks to rule and rule alone...in the end the greed of these institutions will do more damage then good...you need brokers to keep things competitive, eliminating ysp is not going to solve anything, it will do the opposite. If you eliminate it from brokers you should eliminate it from banks as well...the banks borrow at 4.0% and sell at 5.0% just like brokers do...how come they dont have to disclose that to the

consumer???? This bill is absurd and an outrage to the American people..stop trying to make it look like you are fixing a problem that was not caused by mortgage brokers...start blaming the right people and start regulating the banks!