

From: Mark R. Templeton
Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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Comments:

Dear Sirs, The proposed changes to REG Z will create a pointless mountain of paperwork, a huge loss in consumer options, and a tidal wave of unemployment in the mortgage origination industry. We are still marginally considered a capitalist democracy, where free markets can work. Why do you think so little of that market system, or the people of our country that we must have the government of the United States negotiate their mortgage? Frankly I've seen the results of government contracting, they say a hippotamus is a greyhound built under government contract, I promise you most folks get a better deal on their own!! The added complexities of paper trailing, the potential for frivolous lawsuits, and the simple inequity of a flat fee for service, makes the new policy a loser for the consumer. Just look back in history, 40 years ago the government controlled airline pricing policy, a coach class ticket from Boston to San Francisco went for about \$700!! A huge cost in those days, now 40 years later, with no adjustment for inflation you can fly the same route for half that price!! Free markets are a consumers best advocate! There are things the government does well and I appreciate and respect that, but in the intricacies of daily commerce you can't begin to be nimble or responsive enough to compete. Surely you don't think once lenders have a flat fee for service to their brokers that they won't raise the actual interest rate to the consumer? Right now the sliding scale of ysp compensation creates transparency and forces lenders to offer competitive rates, and the aggressive nature of the marketplace allows the informed consumer to get a great deal! I'm afraid the government is grandstanding on this one, trying to make a bad guy of the mortgage broker, so someone takes the punishment for our current economic mess, but no broker wrote the policies that got us there! They only offered the products that were put in place by the banks, and investment houses that were buying and remarketing those loans. Let the system work, it has already curtailed the toxic products that got us here. We currently underwrite to the

strictest standards in the last 20 years, MBS bonds are finally seen as a solid investment again, don't destroy the momentum that is beginning to salvage the housing industry by wiping out a huge source of funding. Sincerely, Mark Templeton