

From: Aspire Home Loans, Inc., Angela Adamoli
Subject: Reg Z - Truth in Lending

Comments:

Date: Dec 04, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
Document ID: R-1366
Document Version: 1
Release Date: 07/23/2009
Name: Angela Adamoli
Affiliation: Aspire Home Loans, Inc
Category of Affiliation: Other
Address:
City:
State:
Country:
Zip:
PostalCode:

Comments:

The proposed change to Reg Z will result in higher costs and fewer opportunities for consumers. A prime example is I am currently working with two borrowers who are buying homes -- one is a first-time homebuyer. In both instances, each client has only enough money for the down payment. Because it has changed to a seller's market (and, really, make that a lender's market due to the excessive short sales and REO's), in order to get one's offer even considered, it must be extremely "clean." Part of that entails not requesting for the seller to pay the buyer's closing costs. In order for both of my borrowers to make the transaction work, they are both willing to receive a higher interest rate so that I can obtain a yield spread premium whereby I am charging zero origination fee and can give each of them a credit for their respective closing costs. Under your new ruling, that would not be possible; consequently, neither of them would be able to purchase a home. I know your interests are consumer oriented, but this change will stifle the competition. Mortgage brokers play a huge role in placing mortgage loans for consumers. This move may cause many mortgage brokers to exit the arena. You are not creating a level playing field for mortgage brokers to compete with retail lenders - such as banks and mortgage bankers. I find it a major irony that the primary cause of our credit meltdown was due to Wallstreet greed by investors and ratings companies. Yet, the proverbial "dirt" gets pushed downward and it is the small business person, the mortgage broker, who gets the rap for the mess. Why are the people responsible being held accountable?