

From: Colonial First Lending Group, Inc., Adam B Erickson  
Subject: Reg Z - Truth in Lending

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Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages  
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Name: Adam B Erickson  
Affiliation: Colonial First Lending Group, Inc  
Category of Affiliation: Commercial  
Address:  
City:  
State:  
Country: UNITED STATES  
Zip:  
PostalCode:

Comments:

To whom it may concern: Please exercise great caution whilst improving Regulation Z - Truth in Lending. In my opinion, the current forms are confusing to borrowers. Complicating them will not improve the situation. Yield Spread Premium (YSP) seems to be a hot button item that is making press. YSP allows the borrower to finance closing costs into their loan, reducing closing costs. Some lenders (provident) have self regulated max broker compensation to 3.5% (reduced from the prior Sub-prime 7.99 & Conforming 5.0). Keeping in mind that real estate agents charge 6.0% for their services, a cap of 3.5-4.5% of transaction is quite justifiable and easily regulated. Issues would arise on lower dollar transactions. Please do not remove the consumer's option of financed closing costs. It would prevent more consumer's from realizing the American Dream. Please feel free to contact me directly with any questions and/or concerns. Adam B. Erickson