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Subject: Reg Z - Truth in Lending

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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  
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I would like to say that the proposal for Regulation Z - Truth in Lending - Closed-end Mortgages [R-1366] is a bad idea. this will not be fair to the consumer. Mortgage brokers will not be able to offer no points no closing cost loans to the consumer (which they like very much)if you take a way the yield spread premium. If you set it up so that the banks can set up a flat rate that they can give the broker the bank that pays the highest rate will be the one getting all of the business regardless of the consumers best interests. Not to the fault of the broker but to the fault of the banks. I worked for a lot of banks in the past that didn't compensate with yield spread premium they compensated with; "if you give the higher rate to the consumer and charge them as much as you can you will get paid a higher commission". It is not the mortgage broker that should be looked at it is the banks that had all of the bad programs to begin with. Brokers can only offer what the banks offer. Brokers were pushed into selling bad products that the banks offered with huge incentives. The banks had no concern for the borrower what so ever, all they care and still care about is there bottom line. That is why I don't like working for big banks. I had a lot of sleepless nights when i did. Brokers are a lot more honest than the big banks. If anyone wants to talk further about this please feel free to contact me. thank you Tim Sturtevant