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Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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This proposal doesn't help the consumer. It give fewer choices, such as paying no points to get a home loan. Agreements with every lender to pay brokers premiums will effectively do just the opposite of what the proposal is trying to do. The new GFE and REGX will disclose fees, choices and have a penalty for not playing by the rules. This proposal will be very difficult to enforce. There will be incr4ased risks of improper steering of loans to lender who "pay more" to a broker. Many of the changes to rules and regulations have no been given a chance to work. The new GFE and REGX will help sort through improper lending practices. It really needs to be seen through before more consumer unfriendly regulation are added. Lastly, how would these new lender/broker agreed upon compensation be disclosed? YSP's are disclosed and a credit to the borrower. How does a lender/broker agreed upon fee fall into that catagory. If one broker is not as good as another broker, then the borrowers who fall prey to the 2nd broker would pay more for the same loan? YSP's are good to offer a choice of (1) a borrower paying no points, vs points on a loan (on a purchase, where buyers are tight on cash, a no point loan is very important to keep their funds to buy down) (2) paying all or a portion of borrowers closing costs (same thing to save a borrower strapped for cash money to buy a home). Please, Please reconsider this plan. It is NOT in the best interest of hard working Americans buying or refinancing a home. Also a good mortgage broker is an important part of the industry. This plan once again seems like and effort to out all mortgage brokers. Do we really want 5-10 banks doing all of the home loans in our country? Is this fair and the American way? We believe in free enterprise!

Thank You!

Donna Haradon
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