

From: Wai Sun Gee
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:

to whom it may concern: I am very concerned that R-1366 would eliminate the viable option of low to no cost loans. Therefore I express a strong opposition to the proposal to eliminate the YSP, i.e., the "yield spread premium" lenders pay the mortgage brokers with. If banks aren't allowed to pay mortgage brokers this way, zero-cost or low-cost loans will be gone, and we consumers will suffer along with the mortgage broker professionals. There is no free lunch without someone else paying for it--I get that! YSP doesn't mean I get a free ride; it simply means I pay for it slowly with higher rates throughout the term of the loan. It's an important choice for me because even though I could afford to pay the commission up front, I would now have the option to use those initial savings in fees toward other worthy expenses: consumer debt pay down, home improvements or my 401k. Taking away YSP serves no one. It takes away a viable option for me, and drives many of my helpful mortgage broker professionals out of work and decimates the venerable mortgage industry and by extension, the housing industry. I respectfully submit that your job is to make things better, not to dismantle a good thing for everyone involved: banker, broker, consumer!!