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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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Hello, This excessive regulation will severely restrict consumer choice; disproportionately effect minority and low-income households, injure the already stagnant housing industry, and reduce the affordability and availability of mortgage products. It will effectively eliminate mortgage brokerage as an industry therefore severely hurt thousands of small businesses. There were many reasons that the mortgage marketplace contributed to the credit crises and subsequent housing collapse. It is true that complicated mortgage products, poor credit standards and lax underwriting guidelines allowed people to borrow more money that they could afford to repay. That does not mean that all the products were bad or that all the tools at the disposal of the consumer are to blame. We should not jump to over regulate this industry out of fear or ignorance. Careful evaluation of the products, tools and system used to facilitate appropriate lending and taking good credit risks are always appropriate. Regulation changes should be considered but without the exclusion of common sense. I submit that we allow new regulations and continuing education a chance to work. There are already new regulations in place that are designed to protect the consumer. The HVCC, the HPML, and a vast network of improved licensing and continuing education have already been put in place. In addition the industry workforce has contracted by about 70%, so many of the undesirables that may have gravitated to the industry are now gone. The barrier of reentry has thankfully been strengthened. Over reaction and unnecessary regulation are going to hurt consumers and the housing market. Lets give the rational plans and regulations that have already been put in place a chance to work. Whether it is "risk based pricing charges" direct from Fannie Mae or Freddie Mac, or a mortgage broker fee, the YSP reduces up front costs to the consumer and allows the freedom to make that choice. If you have any comments or questions regarding this material please don't hesitate to contact me. Paul Skeens