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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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Taking away Yield Spread Premium is the same as taking away the profit any retailer can make on buying wholesale and selling with a markup. Flagstar Bank doesn't pay my rent, nor my small business machine lease, nor my employees, or my phone, paper or internet connection costs. I pay for credit checks, mailers to solicit business, and or any other advertising campaign. So why would you say to a small business you can't have profit. There will be no mark up on wholesale products. I spend hours a day understanding the market because people ask me 3 to 4 times a day. Where will interest rates go? I have spent 15 years articulating the sound policy of a no points loan. Why would you take away one of the best vehicles for home purchasing. I have clients right now buying a home with no points. This is a \$3500. savings on a \$350,000 home. They will have 5.25% interest on their loan and with a point they could have 5.0%. 5.0% saves them \$54. a month. If the average homeowner is in their home for 6 or 7 years is it worth that kind of cash up front? Is it worth it when they have \$20,000 grand in the bank total and \$14,000 is for a down payment and the seller is paying for almost all of their fees and now they would have to come up with the bulk of their reserves for a \$54.00 savings? I think they have the right to choose? This rule hurts the options that first time homeowners and all homeowners have to work with true professionals and finance their homes.