

From: First Wholesale Mortgage, Steve Gineris
Subject: Reg Z - Truth in Lending

Comments:

Date: Sep 22, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
Document ID: R-1366
Document Version: 1
Release Date: 07/23/2009
Name: Steve Gineris
Affiliation:
Category of Affiliation:
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

To whom it may concern, The proposed elimination of yield spread premiums would negatively effect the consumer, loan originators, and the housing market in general. As a 19 year mortgage originator and owner of a small mortgage company I can tell you that if YSP's are eliminated the consumer will suffer as their mortgage options, like 0 costs loans, will be minimized. Additionally, as I will be out of business, competition in the marketplace will decrease ultimately leading to higher costs loans for all. Higher cost loans and fewer options for the consumer will negatively impact the housing market and our economy in general as home values will suffer. I believe that the market has corrected itself as most of the bad players have lost their jobs and are no longer in this business. Rather than eliminating YSP's and competition I would encourage you to consider eliminating HVCC which is also negatively affecting the housing market. If the goal of this legislation is to protect the consumer then I would recommend making things simple. I currently send over 25 documents to my customers for them to sign to apply for a mortgage. I suggest that this is crazy. You could simplify the process by creating 1 or 2 simple pages for the customer to review and sign that could explain everything the client needs to know. The fact is the more government intervenes in the free market the less competitive we as a nation become. Competition and yes YSP's are essential to strengthening the housing market in the long run. Please do not eliminate competition and the consumers mortgage options by banning YSP's. We as a nation will suffer if such a law is passed.

Regards,

Steve Gineris
First Wholesale Mortgage