

From: First Mortgage Banc Corporation, Tom C. Peterangelo
Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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Name: Tom C Peterangelo
Affiliation: First Mortgage Banc Corporation
Category of Affiliation: Commercial
Address:

City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

Dear Sirs, I would urge you to rethink this proposed legislation. Having worked 20+ years in the real estate field, I can speak from experience when I say that the proposed legislation will have a devastating effect on the real estate market across the country if passed. We have been through one of the most trying times the real estate market has ever faced, partly due to greed (on all sides), and partly due to the confusion and misunderstanding of the consumer. This was not due to a lack of information and disclosures; quite the contrary, it was directly related to the cumbersome, over-disclosures that have become part of the loan process. There are so many forms the borrower has to sign that borrowers rarely read any of the forms. If you truly want the borrower to understand what they are signing, you need to reduce the number of documents required in a loan application. Most borrowers are not attorney's and do not understand 50+ pages of protracted legal mumbo-jumbo. This proposal will not only confuse the borrower more, but the yield spread proposal will have the effect of eliminating competition and reduce lending to a few major institutions. Reduced competition inevitably will lead to higher rates and higher fees. Please reconsider your support of this legislation as it is written and works towards presenting a proposal which reduces the amount of paperwork put in front of a borrower and makes the terms more clear and concise. Thank you.