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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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Reducing or eliminating yield spread premium is anti-consumer. Yield spread premium is often times used so that the borrower would not have any upfront costs. This allows flexibility so that the consumer has a choice. This regulation takes away from consumer choice. Secondly, this reduces competition. Banks can still charge yield spread but mortgage brokers will not be able to charge yield spread under this regulation. As a broker, I can shop around for the best rate for my borrower and find programs that fit the borrower's needs. By now making this an unlevel playing field, all the advantage is with the bank. This will reduce competition, which is always a disadvantage for the consumer. All this proposal does reduce consumer choice and competition. This will only hurt the consumer.