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Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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Eliminating Yield Spread Premium will cause homebuyers to pay more to purchase homes. Mortgage Brokers generally work on a smaller profit margin and can provide consumers with lower rates and costs to purchase using Yield Spread Premium to the Benefit of the Buyer. Most Mortgage Brokerage companies do not have the overhead costs of Banks or Large Mortgage Lenders which affords them the opportunity to pass these savings on to Homebuyers. The Good Faith Estimate and Truth In Lending disclosures were designed to give buyers a way to Compare Rates and Costs Apples to Apples and Buyers should be encouraged to Shop with these Disclosures to see who is offering the best mortgage for their needs. There has always been a Double Standard, one for Mortgage Brokers and one for Banks and Mortgage Lenders even though all of the product is the same. Eliminating Yield Spread Premium for Mortgage Brokers will force the entire Mortgage Brokerage Industry out of Business and eliminate thousands of jobs and cause another severe drag on the economy. Consumers will suffer with more upfront costs or higher interest rates to cover the overhead of the Banks and Mortgage Lenders which will make less homebuyers able to qualify to purchase. It will stop the forward momentum of real estate recovery in this country.