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Subject: Reg Z - Truth in Lending

Comments:

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Comments:
The mortgage industry is really no different from any other retail sales industry in this country. We have a product that we sell to consumers to help them get something they want or need, and for doing this we make a profit. If the Yield Spread system is eliminated, you must also eliminate the practice of marking up furniture, cars, appliances, electronics, groceries, gasoline (Oh, horrors! We can''t mess with the petroleum industry''s profits!)and every other consumer item currently marketed. We sell money, and because we handle such a sensitive product, we are heavily regulated to protect the consumer from fraudulent practices and especially from being overcharged for our services. There are already rules in place to cap the amount of profit that can be made on a mortgage (5% fee limitation rule). There are a plethora of mandatory disclosure forms that make certain the client has all the information they need to make an informed choice about their mortgage, and even more are on the way. We have to show the clients how much we earn from their loan, and they have the right to decline our financing offer if they don''t like what they see. Why not just enforce the rules already in place? Except for the HVCC, which is a nightmare for everyone, the regulations already placed on our industry should be more than sufficient to ensure the consumer is adequately protected from the unscrupulous, completely informed as to the nature of his transaction, and capable of making an intelligent decision whether to proceed with the transaction. Stop trying to "fix stupid" and let us get on with the job of rebuilding our national economy, one mortgage at a time.