

From: Platinum Mortgage, Megan Konold
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: Megan Konold
Affiliation: Platinum Mortgage
Category of Affiliation:
Address:

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

Comments:

Post on 1366: Regarding the problems in the mortgage and real estate industry, I think everyone is at fault. Everyone in the industry made mistakes, from the lenders, real estate agents, the banks, the borrowers etc. There have been changes made and the industry has already cleaned itself out of the subprime loans and bad mortgage companies. Right now the last thing the industry needs is more negative changes. The HVCC has proved to be disastrous for the average consumer, costing them time, money and in some cases keeping deals from closing at all. As far as R-1366, the elimination of yield spread premium will only limit competition and also limit the options that a consumer has. As a broker, we can offer no closing cost loans, because we can pay all the fees for the borrower out of the fees that we earn from the bank for doing the loan. If you take yield spread away, you take away that option. It will also create less competition on the market place. Big banks don't disclose yield spread (even though they usually charge a higher rate) so they will not be affected by this. The one's that will be affected the most is the small company that earns a living by giving the client the best deal. If the big banks offered their clients the best deal, there would be no need for Broker's and small lenders... But they don't. This bill will destroy competition and cost the consumer more money. Please reconsider this bill.