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Subject: Reg Z - Truth in Lending

Comments:

It appears that the Mortgage Banker lobby has won and the elimination of mortgage brokers will occur. The tightening and restrictive nature of all the new laws are anti-consumer, not in the realm of reality and not needed. I oppose such legislation.

The elimination of competition in an open market will cause higher fees and rates needlessly and the consumer is the loser. Whose fault was it for the sub-prime loans and low score stated and 100% financing? It was Wall Street, Mortgage Bankers, the Agencies (FNMA / FHLMC) and companies like Chase who pushed the financing. The Agencies are not needed as a free market can do the same thing with out political patronage and huge middle-man profiting as a free market will make the consumer a winner. So the Mortgage Broker is the victim without a voice and labeled for selling loans that were offered, legal and pushed by the Agencies, Wall Street and the Mortgage Bankers. The problem with Mortgage Brokers is that most sold subprime. I've been one who competes against Banks in weekly Mortgage Guides and the reason I'm still in business. I may not be in business for long. What was once a business with 16 employees is now a two person operation. Multiply that by the Brokers that have demised and a high percentage of now unemployed. It's a lot and is your aim to put the rest of us on the street??

The new laws are an overkill of whom we are working with a minority of borrowers that still has great credit. The Appraisal initiative, the Agencies matrix of score vs. LTV (Loan to Value), and the TIL changes are not in the realm of a workable origination of Mortgage Loans. The consumer is getting robbed with the prices of today's appraisals since May 1, 2009 thru the third parties. Lenders are not allowing transfer of the appraisal to another lender and there have been real poor appraisals and the lenders do not know how to handle them. There are appraisers that should not be an appraiser as in any field. So what was once \$250. is now \$350. to \$450. for a single family. How about the consumer who paid \$450. for an appraisal and closed with Taylor Bean, was not funded and has an appraisal that cannot be transferred? Add to it, the appraisal for this borrower was at \$500,000. by the third party appraisal company, Taylor Bean then adjusted the value to \$431,000 citing Freddy Mac (or was it TB?). This has happened with other lenders. This borrower has \$1.7mm as cash converted assets and has a very low debt ration with over 760 scores. Why are you beating up on good borrowers who can open up more consumer savings or spending? You as regulators and those in Federal, State, County and Cities administrations and those as elected (and appointed) officials were the problem after NAFTA was put into law never provided for the day the jobs would leave. It's all about JOB'S. If the jobs were still here, the Midwest would have not had the problems of foreclosures. Northeast Ohio lost 1/3rd of their jobs (Cranes Cleveland Business). It's still about JOB'S! As the numbers come out, more "A" paper than subprime paper are foreclosures. The nations inner cities are their own worst enemy. Without a point of sale inspection, the investors ran wild with fraud. There is plenty of fraud in government, and plenty on the streets of the cities. The cities let their properties go. Yet, for all reasons you blame Mortgage Brokers, an easy target. Not a fact.

What you are trying to do is not needed. What's been needed is one national entity to manage Mortgage. Today and Yesterday we have 50 states with different mortgage laws, we have several Federal Agencies with their hands in Mortgage. No one knows what is going on. No one reads the ancient disclosures. No one understands TIL. Do you have your head in the sand. It is not working. One agency would eliminate the ridiculous subprime products in the early 2000's that had a 2-year fixed rate with a 3- 5 year term. Thus, a borrower would have a pre-paid penalty up to 5% or 6 months interest which is huge. With control, this would never have happened.

Do the TILA if you want little competition, higher rates and fees for consumers. Do the TILA if you want to put more people out of work. Keep everything as is and the confusion and lack of control will remain.

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