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Comments:

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As a mortgage broker owner, I strongly feel that a flat rate fee is not a great option. Now all loan originators are being penalized because of a few bad apples in the industry. In this recession, only the strong and honest company(s) have been able to survive. Those that took advantage of clients did not have good repore and also did not build a referral base with what they did.

Lets put the Wallstreet investors and bankers who created all of the ARM products (i.e. option-arm, 2/28 3/27 and interest only) that truly hurt the borrowers, in the hot seat. They pushed these productst onto loan originators to market and sell to the general public and now loan originators have to take a possible or proposed pay cut.??? How does that make sense? Now all loan originators are catergorized as bad personnel and will be reprimanded? I do agree that the consumer's interest should be a priority. I also agree that anyone person who is taking advantage of the consumer and violating regulatory actions should be dealt with. I feel the board should make it mandatory that all loans that are funded/guaranteed and insured should be strictly and only on fixed terms of 10/15/20/30/40 year terms. This will help maintain a clear and promising budget for the consumer as well as lessen the risk of default for the investors. In addition, I feel yield spread should be credit score driven and capped based on that score. Not taken away but regulated in a fashion that makes it fair to all parties involved and a loan originator still being able to be compensated.