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Subject: Reg Z - Truth in Lending

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Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages

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Comments:

I have been a mortgage lender for 33 years and have worked for banks, savings and loans, mortgage bankers and as a broker for the last 10 years. Elimination of YSP to originators will have these negative effects:1) NO closing cost options will be gone---in many cases this is the only way a customer can buy or refinance due to having not enough money for closing costs or not enough room to roll costs into the loan amount 2) Rates will be raised and more fees will be added, making a loan more costly to the consumer 3) Many brokers will shut down and with the mortgage demand greater than the supply of lenders, this leads to less competition and no reason to be competitive on rates-thus rates INCREASE again. POSSIBLE ALTERNATIVES: 1) Limit YSP to 1.5 % max OR 2) Cap YSP at a max dollar amount of \$6,000 OR 3) Allow YSP on FNMA Conforming loan amounts David M. Ware