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Subject: Reg Z - Truth in Lending

Comments:

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

Dear Federal Reserve, I urge you to reconsider the proposal of eliminating Yield Spread Premium. Should this bill pass, it will only bring more harm to an already crippled housing industry. Eliminating this form of income for the Mortgage brokers will kill the mortgage broker industry entirely. Not just for mortgage originators but everyone associated and/or dependent on them. The only possible winners will be the Banks who have a competitive advantage by being allowed to charge "Discount Points" that as a broker, we usually can"t charge. What is a discount point anyway? Who gets the discount? Not the consumer. The consumer already has the choice and freedom to shop around and look for the best rate and the lowest cost available. We already disclose every fee and every penny earned. Should YSP be eliminated, then those who manage to survive will have little choice but to increase the cost of originating the loan. Plain and simple. Consumers WILL pay more for their mortgage loans upfront. Brokered or otherwise. This proposal is not a good proposal for the industry. Nobody will win, especially not the consumer so again, I urge you to reconsider. Regards, Concerned Mortgage Originator