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Comments:

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

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Comments:

The proposal to eliminate YSP is not only misguided, it is assault on the mortgage lending industry and the free market. It will limit consumer choices and will ultimately increase the consumer's cost of buying a home. The only entities that will benefit from this proposal are the big banks and the elected officials that receive political contributions from them. This political payback is misguided at best, and corrupt at worse. To make the ridiculous claim that consumers cannot understand YSP (through which mortgage brokers can offer low cost loans), thus, it must be eliminated, while in the same breath, claim that SRP (through which big banks can offer the same low cost loans) is acceptable, is clearly disingenuous. Rep. Barney Frank, who has been hell-bent on eliminating the mortgage broker, is too smart to know otherwise. Any legislator who takes the time read the proposal couldn't come away with any other reasonable conclusion. This is very bad legislation for both the industry and consumer. If passed, the entire mortgage brokerage industry will be wiped out, costing hundreds of thousands of jobs, WITH NO OFFSETTING BENEFIT. Wake up, read the proposal, and ask yourselves what is the benefit? If you find any redeeming value in this proposal, please let me know. If not, stand up and do the right thing and stop this attack on the mortgage broker.