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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:

In my opinion, adding these proposed regulations in any form is just an additional attempt at over-regulating what is already regulated and disclosed to consumers on multiple disclosures. The concept of yield spread premium exists in all closed end credit extensions, especially in secondary market transactions involving third party security purchasers of financial instruments backed by these type of mortgages. In the case of mortgage loans, the consumer disclosures already give an annual percentage rate on the Federal truth in lending disclosures and the good faith estimate, for mortgage brokers, discloses the yield spread premium estimate to the consumer explicitly. In addition, all investors receiving loans from mortgage brokers already have specific mortgage broker disclosures which also disclose all fees, including yield spread premium specifically, the broker anticipates making. Case in point, when a consumer buys an automobile from a dealer, does the manufacturer and the dealer have to disclose what their gross profit is projected to be? Once again, please withdraw this additional and more onerous proposal as the consumer safeguards already in place are adequate for the consumer to compare alternative sources. Thank you.