



## **ABBHEY MORTGAGE**

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Dear Federal Reserve;

I have reviewed the R-1366 proposed changes and see alot of ways that this can hurt the end consumer. Here are a few.

- 1.No cost loans would be nearly impossible.
2. Borrower closing costs would be dramatically higher, eliminates rate/price flexibility, more opportunity for secondary marketing to increase profits.
3. Many first-time buyers would be eliminated due to high closing costs.
4. Mortgage brokers and the opportunity for competition would be eliminated.
5. YSP does not present a significant risk of economic injury to consumers but rather helps low-income, entry-level borrowers. The assumption that YSP is injurious to consumers has no empirical data to support such claims.
6. Borrowers with small loans would be discriminated against.
7. Closing costs to borrowers for small loans would be so high, lenders would be discouraged from lending.
8. Low income borrowers who can only qualify for small loans would be priced out of the market or severely penalized by high costs.
9. The proposal will stifle competition.
10. The proposal is not feasible or practical in today's market place.
11. Creates environment with too many adverse and unfavorable effects on the industry. It would prevent secondary market from returning to normalcy.
12. Elimination of competition would eventually lead to monopoly by Banks.

Please review these before you make any decesions on R-1366.

Sincerely,

John Derek Voldness