

From: Ed
Subject: Reg Z - Truth in Lending

Comments:

PROBLEM: The Proposed Rule, as written with regards to restrictions on compensation, will require consumers to pay for services rendered in connection with obtaining a loan either all up front or all on the back end through the rate. This will severely limit a consumer's choice in deciding how to finance a mortgage loan and eliminate their ability to choose to finance only some or all of their costs.

ANSWER:

I have done over 1,000 loans. Out of those loans 8 loans included people bringing in ALL there closing cost. 73 loans included bringing in no money--because it was paid through the YIELD SPREAD (back end money). That means over 92% of the loans done--would not have been done.

That doesn't help the consumer/borrower. Most borrowers don't want to bring in much money (most loans are a mix)--or they can't bring in any money--yet they do want to refinance and get a lower rate & payment.

I think we should leave all options open. The extreme ideas offered would harm everyone involved--borrower, companies, banks etc.

Thank you,
Ed