

From: Narda E Stroesser
Subject: Reg Z - Truth in Lending

Comments:

Date: Dec 14, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
Document ID: R-1366
Document Version: 1
Release Date: 07/23/2009
Name: Narda E Stroesser
Affiliation: Mortgage Broker
Category of Affiliation: Other
Address:
City:
State:
Country: UNITED STATES
Zip: PostalCode:

Comments:

While on the surface the intent is to protect the consumer, R-1366 does in fact set the consumer up for less availability to shop for a loan and in the end higher cost loans. Yield Spread Premiums are not just a source of income to Mortgage Professionals but have been used to better serve the consumer. The YSP makes it possible to do zero point loans and low cost loans. Eliminating this would make it impossible to offer the options to homebuyers and those that are refinancing and make it impossible to compete with banks. Eliminating competition is the net effect of R-1366. The mortgage industry has undergone serious change in the last two years, most of the change has been a double edge sword, both good and bad for consumers. Like R-1366, these changes seem to be taking the industry in the direction of preventing fraud, but what has resulted so far is higher costs to the borrowers, longer wait time to close transactions, and the feeling that over reaction has resulted in grid lock. Please reconsider the effects of R-1366. It will obliterate an industry, further damage the economy, and remove any ability by the consumer to shop for the best price.

Thank you for your consideration.