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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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The unintended consequences of this proposal would be huge and many: 1) this would ensure that borrowers pay the maximum closing costs since they would no longer have the choice of embedding the upfront costs into the loan. 2) borrowers with smaller loans would be especially disadvantaged/discriminated against as most of the closing costs are fixed, and when combined with a lender/broker that can't receive YSP, this will lead to loans that simply can't be done due to pre-existing fee restrictions in place (predatory lending requirements) 3) Should YSP be eliminated, this will only increase the potential of losing more valuable originators/lenders, which in turn will be bad for competition..... Lastly, since the Fed is trying to control the compensation model of our industry, where YSP is been disclosed since 1990, will the Fed then begin to pursue both the insurance and stock brokerage/investment industry who have even less transparent rules on income disclosure than the mortgage industry (trailing commissions, load sharing, 12B-1 fees, etc).... thank you for your time, Jeff Marr - Stanford Mortgage