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Subject: Reg Z - Truth in Lending

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Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages

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Comments:

I am opposed to this new regulation for a variety of reasons. First and foremost, regulating compensation in any industry for ANY reason is wrong and anti-American. More people buy cars than houses but I don't see any move to regulate automobile prices or gross profit in that industry. Yield Spread Premium on mortgages gives consumers and originators the opportunity to customize loan programs to best fit an individual's financial needs. Case in point - I do a loan program for the California State Teachers Retirement System where there is no tiered pricing, yet the loan is subject to loan level pricing adjustments due to credit score, adverse market delivery and LTV. Cumulatively these can aggregate to well over 3% (points), virtually making this beneficial loan program unaffordable for many borrowers who have the required initial investment, but cannot cover the LLPA's. Secondly, the mortgage business has been devastated by the current economic climate driving hundreds of small businesses out of business. This regulation would further escalate this trend. The mortgage business is already heavily regulated. We don't need "new" regulations, rather we need to diligently enforce those already in existence.