

From: Paramount Residential Mortgage Group, Aaron N Huizar
Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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Name: Aaron N Huizar
Affiliation: Paramount Residential Mortgage Group
Category of Affiliation:
Address:

City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

Hello Federal Reserve, I am writing in response to the proposal that would take away the yield spread from the lending industry. I have been a lender for about 16 years. In my professional opinion if this proposal became a reality it would greatly damage the Real Estate industry and by extension, damage the economy. The reason I say this is because many good knowledgeable lenders would get out of the industry. That would mean home buyers/borrowers/Real Estate agents would have to deal with a lower educated lenders and tellers. This will mean that Real Estate transactions will take much longer and only the easy transactions will get done. This will be discriminatory as the harder borrowers with harder credit and financial circumstances will be unable to buy or finance real estate and this is another reason why the Real Estate market will suffer. And, as we all know, if the Real Estate market suffers, the whole U.S. economy will suffer further. Again, in my professional opinion, the whole reason why we've had this financial collapse is because Wall Street made the 0% down "stated income" home loans available. Back in the 1990's and earlier, there was always "stated income" financing, but back then a buyer/borrower had to put down 20-25% or more to get a loan. If that had never changed, then we wouldn't have had the financial collapse we did. Think about it, if a buyer wanted to buy a \$400,000 house, had to go "stated income" but had to put \$80,000 down, then they would've thought twice before going forward and the bubble wouldn't have happened. Please don't punish an entire industry of lending professionals for the greed of Wall Street. If this proposal passes, the Housing Industry will suffer and further damage the economy and no one wants that. Please feel free to call me if you need further comment. Aaron Huizar, Branch Manager, Paramount Residential Mortgage Group

Thank you, Aaron Huizar