

From: PrimeLending , Nathan Almond
Subject: Reg Z - Truth in Lending

Comments:

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

Re: Proposed Changes to Closed-End Mortgage Rules (Docket No. R-1366) Board of Governors: Thank you for the opportunity to comment on the proposed rule amending Regulation Z with respect to closed-end mortgages. I am a loan originator working in Draper, Utah. I have been in the Residential Lending for 7 + years. I have been a witness to the Alt-A and Subprime creation and collapse. I will be the first to agree that there must be greater concern for consumer protections in the residential mortgage loan process. However, I have some very valid concerns with the proposals regarding loan originator compensation. In today's economic challenges the chances of someone having complex or unique circumstances is extremely high. This type of criteria requires more attention and consumes more time. They understand that they are requesting "Professional" assistance and are more than happy to pay for the service being rendered. In all the loans I originate, in very fine detail I present them with the costs and rates that are required on their loans. My borrowers are always aware that they are hiring me to produce the best service possible in order to get them into their home. As a way to compensate me for the extra time I spend on the loan I am allowed to charge more for this extended service. This can be applied on the rate or towards closing costs. Restricting addition compensation for time spent to help will have severe negative consequences for the customer. If we these new rules are applied we will see the following- Loan officers will focus on conventional loans that require less work We will see more people getting declined on loans and thus lengthening and hindering our housing recovery. With less approvals there will be more inventory in the housing market Loan applications will decrease It will take the "Professional attitude" out of Residential lending thus bring the quality of service down If originators are focused on "easy" loans unintentionally this could affect people in underserved markets that may require special attention. Please allow for the SAFE Act to take root prior to adding additional regulation on loan originators. This has already helped clean up the industry and just needs more time to reflect its results. I appreciate your time and the opportunity to add my comments concerning these proposals. Sincerely, Nate Almond PrimeLending