

From: Ninita Patadia
Subject: Reg Z - Truth in Lending

Comments:

Date: Dec 24, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
Document ID: R-1366
Document Version: 1
Release Date: 07/23/2009
Name: Ninita Patadia
Affiliation:
Category of Affiliation:
Address:

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

Comments:

1. The elimination of YSP will cause: a. YSP does not present a significant risk of economic injury to consumer but rather consumers has no empirical data to support such claims. b. Reduces options for consumer to choose pricing options. Borrowers are injured by lack of pricing flexibility. c. Originator would be encouraged to steer loan to lender with higher flat fee. d. Borrowers with small loans would be discriminated against. e. Small loan amounts would most likely be eligible for up front origination points options only. f. The proposal will stifle competition. g. The proposal creates conditions that would encourage steering. h. Many brokers/loan originators will cease lending as result of skyrocketing liability. i. The proposal does not allow loan originators to reduce his/her compensation, to benefit hard-pressed borrowers. j. The proposal is not feasible or practical in today's market place. k. Elimination of competition would eventually lead to monopoly. l. No cost loans would be nearly impossible.