

From: Eric P. Halter  
Subject: Reg Z - Truth in Lending

---

Comments:

Date: Dec 22, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages  
Document ID: R-1366  
Document Version: 1  
Release Date: 07/23/2009  
Name: Eric P Halter  
Affiliation: Florida Association of Mortgage Brokers  
Category of Affiliation: Other  
Address:  
City:  
State:  
Country:  
Zip:  
PostalCode:

Comments:

I am a Loan Originator and owner of HomeSource Lending, Inc. located in Jacksonville, Florida. I have been in the loan origination business for the past 16 years and do feel that I have positively influenced my clients' financial well being with the mortgage loans I have originated. I always have and to this day have acted in the best interest of my clients when originating a mortgage loan. The problem of bad loans I feel we caused by the creation of sub prime mortgage loans for people that were not credit worthy and had no business owning a home. The large number of subprime loans caused home values to increase quickly. We are now seeing home values fall because the tightening of credit standards without the banks and creators of these loan products originally sharing in any of the blame or hardship. The holders of these loans should modify to terms that can be met by the current owners of the home and tighten the lending standards for all new loans originated. I do not agree that by reducing the number of places individuals can go to apply for a mortgage will benefit consumers in any way. The elimination of yield spread premiums from the broker market will cost customers more out of pocket money when purchasing or refinancing a home. The yield spread premium is a critical piece of holding the out of pocket expense down to consumers, allowing for completion in the market place and allowing consumers to have lower rates available. If Originators are paid flat fees or hourly wage it will hurt consumers because the banks that are paying higher flat fees would become the leading lender, but may not be the best choice for the customer's needs. I do agree that homeowners need help to stabilize home values and rework bad loans that were created by the banks and Wall Street, but by eliminating the completion that banks and Wall Street companies have to complete with is not the answer. The banks and Wall Street will still receive yield spreads on the loans they pool and the consumer once again will pay the price. Are there bad individuals in the banking and brokerage business, yes I am sure there are, but the majority of individuals in this industry are good, honest and hard working individuals. Please consider my comments when trying to find a solution that puts consumers in the best possible spot to make good sound choices for their

families.