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Subject: Reg Z - Truth in Lending

Comments:

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I have review the proposal for the elimination of Te Yeield Spread Preium and have the following thoughts on the issue. This seems to be just away for the big banks to eliminate the Broker competition. This will be very harmful for the public. Right now the YSP allows for the originators to help cover costs and reduce the effective closing costs for lower income borrowers. A flat fee for instance would mean the client buying a \$200K home would have the same fee as someone buying a \$450 home. Who does this help , not the lower income person.I guarantte that this will eliminate most third party originators and the part of the market that loans to the lower income client. AS we have seen when the Big banks stand alone they dont loan money to typical 1st time buyers or lower income clients. With the new full diclousers about costs, consummers will have the information to select the best loan for thme . This regulation wil have many unintended consequences,not limited to the masive redution in consumer choices.