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Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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The elimination of yield spread premium for non servicing lenders will only hurt the consumer. If it is eliminated competition will disappear which will in turn allow a few very large banks to control the lending world. That is not a good thing for the consumer because the costs, service levels, etc. will drop tremendously. Plus these large lenders usually make more Yield Spread per loan it just stays in their hands as income instead of going down to the customer. That is where brokers and warehouse lenders keep these lenders honest by getting costs and rates down for the customers we work with. Right now there are hundreds of mortgage companies to choose from because of mortgage brokers. If you hurt the mortgage brokers and warehouse lenders then the loan officers will just go work at the banks. This will allow a few banks to control the market and where there is no competition there is not as urgent a need for competitive pricing, customer service, employee retention, etc. It will just hurt the housing market that much more. And will force many small lenders out of business and hurt jobs. All in all it would be very negative for many people in the housing industry and every home owner. Housing right now probably needs more help than any industry in our economy. Thanks for reviewing.