

From: Crystal Clear Mortgage, LLC, Adam B Simmons
Subject: Reg. Z

Comments:

Date: Apr 19, 2011

Proposal: Regulation Z; Truth in Lending
Document ID: R-1417
Document Version: 1
Release Date: 04/19/2011
Name: Adam B Simmons
Affiliation: Crystal Clear Mortgage, LLC
Category of Affiliation: Other
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

Understanding fully what the Frank/Dodd act has been designed to do it is important to note that the mortgage industry is self correcting. The loans that were made available which led to our economic woes are no longer available in the market place and hopefully no one will continue to rate Mortgage Backed Securities as AAA bonds. That being said, i DO think it is important to set some minium underwriting guidelines that will make sure we do not forget our previous trials. What is important is to not make these minimum standards so far overreaching that it will have unintended consequences. For example, defining a qualified mortgage as one whos points and fees do not exceed 3% of the loan amount is terribly misguided. This will automatically create issues for all borrowers wishing to borrow 100K or less. Title policy fees, underwriting fees, escrow set up fees consistantly exceed three percent on these transactions before ANY origination is factored in. Where will these people go fopr home loans? Big banks I suppose. We need to stop driving people to the big banks that are lining Mr. Dodd and Mr. Frank's pockets and approach this issue with common sense and a basic understanding of how any new rules will impact the overall marketplace. Having new rules verifying income is one thing, but having rules that limit fees below what third parties charge is off the mark to say the least.