

July 22, 2011

Ms. Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW.
Washington, DC 20551

Subject: Comments regarding Ability to Repay Proposed Rule, 76 FR 27390 -
27506
Docket No. R1417 and RIN No. 7100AD75

Dear Ms. Johnson:

The purpose of this letter is to support the comments shared with the Board by **IMMAAG** with respect to the Board's proposed Ability to Repay rule, Docket # R-1417.

I share their belief that it is time for a coordinated and comprehensive approach to regulating the RESPA and TILA statutes and the CFPB provides the vehicle to accomplish that.

The offending products that contributed to the financial issues we face have largely been removed from the market and the independent mortgage originators and brokers who were inappropriately blamed early and often are now required to be educated and licensed to do business. Those few who were appropriately blamed have been removed or disciplined for the most part.

There is no reason to rush to change. While I realize that the Dodd-Frank Act requires regulation of Title XIV, it also needs to be recognized that the Bureau has eighteen months to achieve a coordinated effort of complete and fair discovery to implement and modify those regulations and that it has already set upon activities to combine disclosure components of RESPA and TILA. It would be an unfortunate misuse of resources and time not to expand that effort, slow down the current pace of regulatory change and create an effort that is more comprehensive, goal oriented with a mission to avoid grievous unintended consequences to the consumers and loan originators' efforts to help consumers. Any independent loan originator in the US will tell you that the current regulatory environment is crippling and will continue to cripple the real estate industry. It is also perceived by most, if not all, independent loan originators that the banking lobbyists, representing the banks who are responsible for offering the "offending products" are lobbying appropriately powered individuals in Congress and Regulatory Boards to eliminate competition for banks under the guise of defending the consumers who are now paying at least \$1000 more for financing than they did two years ago. This perception is so pervasive that, indeed, it may be more than a perception. Whatever the perception it feels like the tail wagging the dog and the ducklings being run over by the truck.

I believe **IMMAAG** has made a strong argument toward that end and I support its recommendation.

In the event the Bureau feels it is necessary to move forward with independent rather than a coordinated action with respect to the issues related to Docket R-1417 I ask that you consider both **IMMAAG**'s and the California Association of Mortgage Professionals' specific comments regarding Ability to Repay, Qualified Mortgages, Safe Harbor and Points and Fees.

Sincerely,



Ralph R. Reitan,