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Given a choice between the two scenarios you have posited - I would elect the safe harbor rather than the rebuttable presumption. While most lenders do originate loans that somewhat conform with the standards you are attempting to require, there are borrowers who require loans that fall outside of the norm - and utilize compensating factors such as asset based lending which could be used to assess the borrower's ability to repay the loan but are no longer considered in the proposed regulation. As the MBA already commented - "Where possible, regulators should avoid establishing static, prescriptive criteria that do not allow lenders the ability to consider compensating factors in meeting the financing needs of qualified borrowers." Lenders need to be able to offer loans to traditional and non-traditional borrowers. This law, as written, impedes the ability to do so. The safe harbor at least allows for a broader consideration of the borrower's ability to re-pay which could be documented with asset based lending. Alternative 2 is too restrictive and assumes that all borrowers are or should be employed. With compensating factors, employment is not necessarily required. We need to be bringing these types of products back into the market in with responsible lending criteria - this regulation does not promote that kind of lending.