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Comments:

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Today I received an announcement from the National Real Estate Investors Assn regarding the proposed regulations. It's late and I haven't dissected the proposal. The REIA believes that the proposal would apply to individual property owners who are willing to hold financing on the property they sell. There is nothing specific in the wording to indicate that. Of course, there is no specific exclusion either. So REIA is assuming the worst. If REIA is correct in its assumption, I do urge you to exempt individual owners from the rules governing those in the business of providing mortgages. This will not only hamper the sale of some properties but will keep many people from having the opportunity of buying a house for reasons other than their capability of making payments. An example would be a divorced man whose ex-wife was given right of possession of house they had purchased together and was also named as the responsible party for continued payments on the mortgage. The ex defaulted; the property is foreclosed. The man is now unable to obtain a "traditional" mortgage because technically there is a foreclosure on his credit. If he has the income necessary to make payments on a "non-traditional", ie seller-held, loan the parties should be able to engage in that transaction. In addition, at this time a seller will receive a far greater return on his investment if he holds the mortgage on the property than taking proceeds and putting them elsewhere. Please clearly exclude the individual property owner from this regulation