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Subject: Reg. Z

Comments:

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Comments:

As a private real estate investor who occasionally provides "seller" financing to purchasers, I am very concerned about the possible implications of Regulation Z for my business activity, and I strongly urge you to include language which specifically excludes the type of financing which I sometimes provide from the proposed regulation. Seller financing is very common in my state, and many people prefer working with an individual to applying at a bank for financing. Seller financing is a valuable service to purchasers who are unable to obtain bank financing, and is often the only alternative a seller has for finding a buyer when bank credit is tight. Especially in the present environment, in which both buyers and sellers are thwarted by the restricted circumstances of the professional credit industry, it is quite unreasonable to take measures to further inhibit the ability of willing individuals to find mutually satisfactory ways to transfer property. The last thing we need is more real estate standing empty, financially burdensome to the seller and in danger of degenerating into yet another delinquency or foreclosure. While the typical owner/seller is legitimately concerned about obtaining reasonable assurance that the buyer is capable of fulfilling the terms of the contract, such a person is not typically a bank officer or professional loan originator, equipped to qualify buyers according to the standards required of banks. Furthermore, when the lender and the seller are the same party, it is not reasonable for a purchaser to be expected to disclose financial information and detail assets as they do with a professional lender who is not also the seller, since this compromises their privacy and their ability to negotiate the price and terms of the agreement. To subject private transactions to the restrictions and regulations applied to professional institutions would be a burden so great, that many people would no longer undertake such sales or purchases, with consequences that would be detrimental to all parties. Furthermore, it is unfair and inappropriate to punish or stifle people who engage in prudent and beneficial financial activity on their own behalf, for the reckless and unwise activity of the professional banking industry. Please make certain that private, "seller" financed transactions and contracts are specifically and explicitly excluded from regulations designed to curb abuses and poor practices in the financial services industry.