

From: South Arizona Homes, LLC, Robert R Ferguson
Proposal: 1417 (RIN 7100-AD75) Reg Z - Mortgage Repayment Standards
Subject: Reg. Z

Comments:

Date: Jul 22, 2011

Proposal: Regulation Z; Truth in Lending

Document ID: R-1417

Document Version: 1

Release Date: 04/19/2011

Name: Robert R Ferguson

Affiliation: South Arizona Homes, LLC

Comments:

As a 66 year old individual I should have the right to sell my home to anyone under any circumstances that I chose and not based on a set of rules that I know nothing about and probably would break 90% of them. The Federal Reserve should not be involved any way in my personal dealings whether I am selling one house or 10 in a any given year. It's my money that I am being responsible for not theirs in an way shape or form. I am not asking to be reimbursed should my borrow fail to pay his debt and I am the one that would be responsible to foreclose and take back the property I sold, not the government or any commercial entity. As a 66 year old should I want to sell my home, there are ways that I can do that and protect myself and my funds. If I wish to have a balloon after 5 or 10 years to obtain my money back quicker so I can leave it to my heirs instead of a mortgage on a home that they would only receive payments on, that is and should be only my decision and that of my buyer's. Almost anyone I would sell to who I would carry as lender will usually not be able to qualify for a home loan under the commercial and government regulations. So right now they turn to private home owners to purchase a home from. The owners in turn would like to earn the extra interest money available from financing the home to the buyer over the sales price. The idea that I would or should use the same rules as a commercial mortgage lender is absurd as the buyer would in all likelihood not qualify for the FHA or conventional loan and would not be able to buy my home either. The buyer in turn will have five or more years to build his credit up so that should I have a balloon payment he by then would have equity in the home and be able to qualify for a conventional or FHA loan and pay me off. Additionally, my goal is to have my money protected in ways that I can control and keep other people or government agencies out of my affairs as much as possible. If my buyer who I financed should default, it is my responsibility to foreclose on the home and not any government agency or any commercial entity. Neither government or public funds are at risk in my private lender financing, only my money is. Why then does the FED want to interfere in what and how I would do a mortgage loan to a buyer I choose to sell to. Currently in private lender financing, both buyers and sellers win and so does the government as no government or bank funds are at risk should the buyer default. Besides, I will have to pay taxes on the interest I earn, where the sales price of my home is quite likely non-taxable.