

From: Joe Wachtel  
Subject: Revision to Escrow Account

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Comments:

I am writing in reference to the Fed's proposed rule to Regulation Z's escrow requirements. Being a small community bank in a rural area of north-central Ohio, we serve mostly farm, Amish and local residents and businesses with their mortgage loan needs. We do not sell our mortgage, but keep and service all of them. While we originate considerably fewer than 100 first lien mortgages each year, the mandated escrowing requirements for taxes and insurance has been both burdensome and expensive for us. Relief from these requirements, which is authorized by the Wall Street Reform Act, would be very welcomed, and I would encourage the Board to implement this exemption.

As to requiring two additional disclosures; first, I would say that lack of disclosures did not cause the mortgage melt-down. Customers are inundated with duplicative and redundant disclosures already, and it is always better if conditions of the loan are explained by lending officers rather than expecting countless disclosures to be read and understood by the customer. Secondly, should the escrowing exemption be enacted, giving the customer the opportunity to have the institution establish an escrow account completely counters the exemption, and provisions for this should be included in the final language. Thank you for the opportunity to comment.

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