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Subject: Reg. Z

Comments:

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The continued proliferation of changes to Reg Z is overwhelming to community banks. The guidelines for a Qualified Residential Mortgage and the Qualified Mortgage are too broad and restrictive and will further restrict credit at a time when community banks are attempting to meet the needs of their borrowers. A lot of banks will be unwilling to make any mortgages due to the increased liability because they will not be able to meet either the safe harbor or presumption of compliance standards whichever is actually enacted. Additionally, any bank that does not take into consideration the customer's ability to repay is not operating in a safe and sound manner. To imply that banks do not consider the ability to repay is ludicrous. We wouldn't make the loan if we didn't have the expectation to be repaid. If and until the customers actually read and understand the disclosures provided to them, no one can force them to make good credit decisions no matter how many regulations are enacted. It is time to stop trying to make banks responsible for customer's credit decisions.