

From: George Cardoso
Subject: Reg Z - Truth in Lending

Comments:

Date: Dec 10, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages

Document ID: R-1366

Document Version: 1

Release Date: 07/23/2009

Name: George Cardoso

Affiliation:

Category of Affiliation:

Address:

City:

State:

Country: UNITED STATES

Zip:

PostalCode:

Comments:

I am writing this letter to address Docket No. R-1366 another program that is not only going to hurt the consumer, but the housing market; this is worse than the HVCC law. Borrowers are paying more to own homes. Yield spread Premium (YSP) is the best way for a borrower to get an affordable rate and loan. YSP is not another way to gouge the consumer but the opposite to reduce fees. By lenders and brokers receiving YSP that in turn gets passed onto the borrower by keeping the lender from charging the borrower the same amount thru other fees. Many broker use this YSP to offset the closing cost of a loan for the borrower. With YSP we are able to pay many fees associated with obtaining a loan i.e. appraisals, title Insurance, attorney fees, etc. These credits can be as much as \$3500.00, and save the borrowers double that amount at times. I have one wish, one request, please talk to someone that is in the field. You will ruin the lives and lively hood of thousands of hard working Americans. You will also take away many of the opportunities for borrowers to buy or refinance to a lower rate. In our world of mortgage finance we are scrutinized and have more and more regulations. How can you keep changing things if you haven't let your first change play out and filter thru the financial world. You don't let the change make a change before you change it again??? I have been in the industry for over 10 Years and 99% of my loans have been No Points & No Closing Cost loans. Everyone of my borrowers knew & know how I am able to pay the closing cost. I have been able to save many for my borrowers thousands of dollars. There are many forms as a part of the application where the YSP is disclosed. I ask you to think of this. The HVCC hurt consumers by increased cost. The borrower has no opportunity to go to another lender with the \$700 appraisal they just paid, which 2 months ago cost \$250.00. With the Elimination of YSP, that \$750 will be added to over \$4000.00 in cost to refinance. To purchase a home it will cost sometimes double that. Thank You,