

From: Natalie Barone
Subject: Truth in Lending

Comments:

The Rule proposes multiple changes to the mortgage industry, which include:

- " A new category of "higher-cost" loans, which will eliminate stated and no-doc loans under any circumstance.
- " New APR triggers of 3% (1st mortgages) and 5% (subordinate mortgages) above the 10-year U.S. Treasury, causing nearly every mortgage made in America to be classified as a "higher cost" loan. As such, the provisions of the Fed Rule will make financing nearly impossible.
- " A new disclosure for Mortgage Brokers only that will require you to disclose, before application, what your mortgage brokerage fee (front end AND back end fees) will be on the loan and this cannot change.
- " The Originator to determine that the borrower has the ability to repay the mortgage for at least 7 years.

These rules will cause more homes to become and stay vacated. Not good for America! Not good for Americans. The Federal Reserve and the Banking industry created the rules that mortgage brokers followed. Yes, there are some bad brokers out, just like there are some bad politicians (have you noted this country's current deficit). You do not see politicians out of a job, you do however, in all their glory, see them trying to put people out of jobs and the ability to live the ultimate American Dream-homeownership.

Do I believe there should be some regulation, of course I do, we all do. Does it mean we bring this country to a stand still and feed the already very rich. No I do not.

When you our leaders took office including those at the Federal Reserve did you do so thinking that you were going to make a difference and do good by this country and its people or did you do so for another purpose. If you took office for the admirable reason, then what happened to you? Do you sleep at night? If not, good. Rethink your efforts. If you do sleep at night then reconnect with your conscience. It's about time.

80,000 people lost their jobs in February. If you keep making these rules so strict, not only will local governments pay the price-----property taxes (lack of collecting), but state governments will as well. Who picks that up? The banks will need to carry the property taxes, is that going fair any better for their bottom lines? The effect on the economy due to the housing crisis has already been felt by all kinds of people and businesses. What planet are you living on if you do not see this.

The mortgage broker gives the average American the ability to shop for the rates and get them better deals. The banks would love this. This way they can raise rates, raises costs to close and really stick it to the average. Brokers keep everyone on competitive and most of the time honest. I have seen banks do some really dirty deals, especially when they are in a contractual agreement with a builder. Appraisals get pushed because they want the business from the successful builder. A big portion of this housing crisis is due to these agreements between builder and banker. When it finally caught up with everyone

the builders started reducing prices of the homes rapidly affecting not only the new homeowners but older existing surrounding neighborhoods. Everyone needs to look at the bigger picture here.

Thank you for your time,

Natalie Barone