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I'm a Democrat who STRONGLY opposes this ignorant attempt by the Fed to annihilate purchase money mortgages. Seller financing didn't cause our current problems; instead, it's actually one of the solutions to the problems being caused by this credit crisis due to the ignorant, erratic, and irrational loan underwriting. Why are they targeting the real-estate industry? Nearly 50% of all commercial transactions involve some form of owner financing. "Buy here, pay here" auto lots apply a similar financing model, and they're not being targeted. Various corporate buyout strategies also apply a similar financing model, and they're also not being targeted. And the list goes on. This is yet another perfect example of a group of politicians, who are sitting in their ivory towers sequestered away from the reality that the rest of us live, pondering decisions and proposing solutions for issues that they truly don't understand. Wake up!! Taking this course of action will directly hurt several industries: real-estate, secondary mortgage market, and private lending. Please keep in mind that the bulk of the lending that's currently going on nationwide is NOT the result of conventional lending. Private investors (like me) are doing what many conventional lenders aren't: we're lending. It's working: people are buying houses, mobile homes (which most conventional lenders shun), and other forms of real-estate. And we DIDN'T--nor did we need to--take any bailout money, because our business model works. The conventional lending model is broke, so let the Fed (which is part of the banking system) focus on fixing the banks. Conventional lenders--at least the ones who lack private lending experience--have no business getting into our business. They lack the knowledge, experience, and thus the expertise to deal with such issues as seller financing.