

September 30, 2013

TO THE INDIVIDUAL OR INSTITUTION ADDRESSED

Re: Proposed New Part 43 of the Superintendent's Regulations

The Superintendent has proposed for public comment the attached new Part 43 of the Superintendent's Regulations. Section 6-m of the Banking Law provides for the regulation of subprime home loans as defined in the statute. Pursuant to the authority provided by Section 302(2) of the Financial Services Law, the Superintendent of Financial Services is authorized to interpret the provisions of the Banking Law, including Section 6-m.

Proposed new Part 43 interprets terms appearing in Banking Law Section 6-m as follows:

- (a) The term "Week" referred to in the phrase the "week prior to the week in which the lender provides the 'good faith estimate'" used in Section 6-m(1)(c) shall in all cases mean the seven-day period from Friday through Thursday, the day on which the Federal Home Loan Mortgage Corporation publishes its Primary Mortgage Market Survey ("PMMS"). Therefore, the relevant PMMS for purposes of Section 6-m(1)(c) is the one published on the Thursday prior to receiving the good faith estimate. For example, if a lender provides a good faith estimate on any day including Friday, June 14 through Thursday, June 20, the relevant PMMS is the one published on Thursday, June 13. For a good faith estimate issued on Friday, June 21 through Thursday, June 27, the relevant PMMS is the one published on Thursday, June 20.
- (b) The term "Good Faith Estimate" referred to in the phrase "'good faith estimate' required under 12 USC §2601 et seq." used in Section 6-m(1)(c) shall in all cases mean the good faith estimate used to establish the terms of the mortgage loan. This shall be the revised good faith estimate if one has been issued.
- (c) The term "Commitment" referred to in the phrase "the time the lender issues its commitment" used in Section 6-m(1)(b) shall in all cases where a commitment is not issued by the lender mean the "Good Faith Estimate."

The Notice of Proposed Rule Making is expected to be published in the October 16, 2013 issue of the State Register.

The Department will accept comments received before November 30, 2013. Comments should be sent to Harry Goberdhan, Assistant Counsel, Department of Financial Services, One State Street, New York, NY 10004 or by email to harry.goberdhan@dfs.ny.gov.

Very truly yours,

Daniel M. Burstein
Executive Deputy Superintendent
Real Estate Finance Division