

From: Joshua Leake <joshleake@yahoo.com> on 04/08/2008 08:00:03 AM

Subject: Regulation Z

To whom it may concern:

The legislation before you will unfairly discriminate. This discrimination is hiding behind the veil of consumer protection. But like most discrimination, its arguments are built on fear rather than fact.

As a mortgage broker in Oregon, I have been blessed to have helped many friends, family and borrowers secure financing for their largest investment; their home. Unlike a lender, I am able to make their transaction personal and in many cases give them an overall pleasant experience, while receiving a far better loan than if they had gone directly to the lender themselves.

Why is this? Well the FTC accredits the competition in the marketplace as a decisive factor. I believe that your legislation will remove this competition and ultimately hurt the consumer's ability to equally and fairly select financing.

By separating the broker, from the lender from the credit union from the bank, you are placing a "stigma," on the broker. In many cases, brokers, like me are small businesses. And I suppose if you prefer that consumers work with big business rather than small mortgage brokers, supporting this legislation is what you should do.

However, the Small Business Administration suggests differently, "There are those who argue that big businesses, profiting from "economies of scale," can produce far more efficiently than small businesses. But small business is where the innovations take place. Swifter, more flexible and often more daring than big businesses, small firms produce the items that line the shelves of America's museums, shops and homes. They keep intact the heritage of ingenuity and enterprise and they help keep the "American Dream" within the reach of millions of Americans."

And to think the SBA wasn't even discussing home ownership. I believe that your current legislation, although admirable in its effort to help consumers, will unknowingly harm consumers through the elimination of the mortgage broker.

Like all industries, there have been some bad apples. But do we throw out the baby if the bath water is bad?

I think not. Do we throw out the Board of Governors, if the economy slips? Of course not.

In conclusion, I would request that this legislation only be passed if its implementation would only foster and not eliminate fair competition within the marketplace. Not only would many well paid American's lose their job, but our country would fall into an even worse downward spiral of economic peril.

And I believe, the only insurance against the financial ruin of our economy is to protect the consumer by not discriminating against the mortgage broker.

warm regards,

Josh Leake
Mortgage Broker in Portland, Oregon