

From: "Patrick Dunn" <dunn.p@comcast.net> on 04/04/2008 03:20:03 PM

Subject: Regulation Z

To the Board of Governors of the Federal Reserve;

Please consider the detrimental effects of the drastic changes being proposed.

This is Patrick Dunn of Seattle, WA writing to say the sweeping changes are overly restrictive, onerous and short sighted.

*Now that Washington has licensing for the loan originators (a very positive step forward) the unscrupulous and before now stealthy loan originators are being weeded out. Now that a tracking system is in place, complaint and unethical behavior can be addressed and in time reduced. A national license may be a much stronger step forward without such debilitating effects.

Overly restrictive: a good loan originator can address a scenario to the best of their ability with the information given. Requiring loan originators produce ALL terms and costs up front can only work if nothing changes in the picture originally described changes nothing. All too often, information is presented in the middle of the loan process that will have strong or devastating effect to the outcome of the loan. At these times a loan originator can sometimes adapt to meet the needs of the client—however the original terms may not be the same. In most cases the clients either do not have or do not disclose all pertinent information at the start of the loan process.

Onerous: Any regulation that applies to the origination of loans should apply equally to brokers and bankers alike. The product is same. There are advantages to each. Regulating only one side with sweeping legislation creates an uneven playing field and in the long term hurts the clients/consumers.

Short sighted: Any justification that a loan originator can foresee ability to repay is completely unfair and unrealistic. Just as a doctor can do his/her best with the information given combined with the discipline and desire of the patient a loan originator is no more powerful.

The Yield spread premium is a factor of the loan that works well for many of my

clients. If I were to charge too much in the costs and in the rate, my clients would take their business elsewhere. Many times when my clients are not planning in staying in a loan or home for an extended period of time, that money is used to save them money and further their financial goals. Requiring all clients to pay for my services and the services such as title, escrow and title becomes very cost prohibitive and detrimental in the short and long term.

Thank you for considering my comments.

Sincerely,

Patrick Dunn CMPS

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