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Comments:

As a mortgage professional with nearly 20 years of mortgage experience I welcome the Federal Reserves proposed rules and this process. As a mortgage broker and owner of my company Equity Lending Group, Inc. I have a strong vested interest in these new proposed rules. I am in total favor of the consumer being fully informed about the mortgage process. In fact our slogan is Professionalism, Full Disclosure and No Surprises at Closing. One particular concern I do have is related to the payment of Yield Spread Premiums from Lenders to Brokers. As a broker we do not fund mortgages with our own funds we broker the transaction through mortgage lenders and bankers. We are compensated for our WHOLESALE service we provide in the form of a payment called a Yield Spread Premium. Only brokers have to disclose this payment to their customers. Mortgage Bankers who use their own funds to close on mortgages do not disclose the payments they earn such as Yield Spread Premiums or Service Release Premiums when they sell their mortgages, yet they still are paid in a similar way. I have no problem disclosing how we are compensated. It is critical that the payment of Yield Spread Premiums are preserved in the mortgage broker/lender relationship. Mortgage Brokers have been primarily responsible for the growth of homeownership as we know it today. Although there are certainly bad apples in the barrel as there are in every industry, the broker industry would be decimated if Yield Spread Premiums are not preserved. Most mortgage brokers like myself are small business owners who employ others and make the American Dream come true in a more efficient way and with better customer service than the big banks. The industry has already been dramatically effected and is cleaning itself up as a result of the current mortgage meltdown. There are thousands of lenders and brokers that were here last year that are gone today. What other industry has to disclose their gross revenue on what they sell? Again I have no problem with the disclosure of how we are compensated or any of the other proposed rules. I emlore your

board to preserve the payment of Yield Spread Premiums, this is how I get paid and with out this form form of payment mortgage brokers will cease to exist and the consumer whom we are all trying to protect will ultimately be hurt because of a lack of a competitive mortgage market. This would cause the mortgage markets to revert to the days of either a bank with low rates or a finance company with very high rates. Mortgage Brokers serve a very valuable role in the mortgage markets and with out Yield Spread Premiums the Mortgage Broker will become extinct. Thank you, and you may feel free to contact me at any time to testify or offer further comment. I would also love to share with your board the thousands of testimonials that I have from my customers who I have helped with their mortgage needs. Thank You,  
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