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**Subject:** Regulation Z

The proposed HUD rule furthers promotes the discrimination between "Loan Originators -Mortgage Brokers" and "Loan Originators- Bank Employees". Brokers already have to disclose their compensation during the application process . Under the proposed rule brokers will be to reach a compensation agreement before discussing the actual loan and qualifications. And if a Loan Originator works for a bank there is no such requirement. This is like saying all the Realtors in the Northern half Florida must disclose their compensation but if you work in Southern half of the state you don't half to disclose your compensation. How is that not discrimination.

There seems to be a belief that the massive mortgage defaults are directly tied to the amount of compensation made by "Loan Originators". By the way Countrywide employees are exempt from disclosure under the proposed rule ... If a careful analysis of 1,000 defaulted mortgage originated by Brokers is performed you will find that not one mortgage is in default because of the amount of compensation by the Broker ... it's unqualified borrowers in Bad loans or qualified borrowers in bad circumstances. The GAO study places little blame on the current crisis on mortgage brokers .... Bad Brokers who broke the law should be prosecuted .... Selling bad loan programs that were created by Banks and Wall Street that are still being sold today are not solved by saying how much a salesman gets paid ..

Analogy ... the Pinto, a popular well priced car of its time sells like crazy ... then the reports begin ... if it's rear ended it explodes ... kids, babies and pregnant women are killed ... the public and press are up in arms ... Congress must do something ... the solution .... When you go into a Ford dealership the salesman must state how much his commission is on a pinto ... and this solves exploding cars how ??????

Discrimination ... number one problem in the proposed rule ... if disclosures for one originator are required it must be required for all originators, including the banks with big political clout .... And why aren't we requiring all bank originators be educated and licensed ... it's required in all other financial services ... insurance, stock broker, realtor, etc.

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