

**From:** <afford@gte.net> on 03/27/2008 11:55:28 AM

**Subject:** Regulation Z

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I as an Independent Mortgage Broker, Correspondent Mortgage Lender has been tested and passed and do continuing Education courses support for the consumer protection goals of the Federal Reserve Board's proposed amendments to Regulation Z, but respectfully oppose the proposal to restrict compensation for mortgage brokers

We the mortgage brokers provide as an intermediary between borrowers and lenders, and the value the broker adds in the real estate transaction by serving BOTH parties, but representing NEITHER.

We need to be allowed as a mortgage brokers must compete with direct lenders, and how the distinctions between brokers and lenders have blurred in recent years as lenders themselves typically package and resell loans they originate.

Please note that consumers are largely unable to distinguish between brokers and lenders, which have similar names, use similar signage, and rely on similar advertising

**We should insist that any disclosures apply equally to ALL mortgage originators, not just brokers**

Yield spread premiums are much more than just compensation, and how they are used to pay certain costs and facilitate the loan transaction. Some buyer do not have all the money needed to bring to closing for Closing cost, and pre-paid items.

**In the real world, requiring brokers, but not other loan originators, to make compensation disclosures enable the brokers' competitors to steer consumers away from brokers, even if brokers offer more favorable loans**

It is impossible to give a reasonably precise dollar estimate of fees a broker will charge in a transaction even before an application is submitted because the broker does not yet know the prospective borrower's financial status, transaction details, type of product sought, or amount of loan, all of which may vary as the transaction progresses

Suggest that the Fed consider alternatives to the proposed regulation which would protect consumers in their dealings with all mortgage originators, and encourage competition on price and service

Thank the Board of Governors of the Federal Reserve for considering the comments

