

**From:** "Libby Snipes" <lsnipes@pnlending.com> on 03/28/2008 12:30:31 PM

**Subject:** Regulation Z

I have been doing loans in the Dallas-Fort Worth Texas area for 15 years. I have been both a broker and a banker and I see the disparity from both sides.

The most important thing to me in this bill is the proposed requirement to disclose actual YSP before I even take the loan.

Just last week I took a loan over the internet and I disclosed that day. Once the borrower sent his paystubs and W-2's it was only then evident that the loan I disclosed would not work. I would have to put him onto a different type loan. If I had to go to closing with the original disclosed fees, I would be bring money to the table out of my own pocket.

Also in this market with rates up and down like they have been, I am floating most of my loans to get the borrower a better rate and term. If I had to disclose before the loan and abide by those number...the consumer would be greatly disserved not only in higher fees but also higher rates and therefore a higher monthly payment.

Also the YSP is not just my compensation. In some cases it is the difference between a borrower getting a loan or not. Let me explain. When someone comes to me with a small loan, lets say \$40,000. There are many, many companies that won't touch a loan that small because it just is not cost effective. As a broker I can charge a little higher rate to get a higher YSP to help the consumer pay for closing costs they normally could not afford. As you know Texas is a high cost state and sometimes the consumer desperately needs the reduction in house payment but just cannot afford the cost.

I appreciate your trying to help the consumer, but sometimes the entire ramification of what might seem like a good thing really hurts the end borrower. Not only that but this action would further put people and companies out of business and shrink the avenues to consumers of being able to choose from more than 1 or 2 lenders.

One last point, Why are you targeting brokers...the mortgage bankers should have to abide by the same rules right? So why aren't they named in this proposed legislature?

Thank you for taking the time to read my concerns and I hope you will reconsider the proposal.

Thank you ,

**Libby Snipes**

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