

**From:** "Ron Grandorf" <ron@ccmlloan.info> on 03/28/2008 12:40:03 PM

**Subject:** Regulation Z

To Whom It May Concern,

I propose you leave the Good Faith and Reg-z Disclosures the way they are and stop your unfair attack on Mortgage Brokers through your proposed new Regulations outlined in Docket No. R-1305 . By this I simply mean, in the event you must add more Regulations for no apparent reason, add Regulations that are truly simple to implement and enact a Law that makes all Loan Originators disclose the same information in a simple format Consumers can understand and make an informed decision from.

To add different layers of disclosure for different type Loan Originators is unfair and shows your bias towards Banks and Bankers. Why make a Broker "appear higher in costs" by making only Brokers add and disclose Yield spread in our Compensation slot, when in fact the rate, Payment, and out of pocket Expense may be identical or probably lower than a Bank; yet the consumer may feel we are overcharging by this misrepresentation. The Consumer will not benefit from this proposal, only Bankers will.

Mortgage Brokers and Banks have/use the same source of funds, incur the same costs for loan origination/operations, and yet the new proposal places the burden of new/full disclosure only on Brokers. Thus, my comment earlier about bias towards Bankers. Study after study have shown that Brokers can and do generate loans at a lower cost than Bankers. In most cases, this savings is shared with the consumer. If the Bankers lobbyist has more influence than Brokers, I can live with that; but can the Consumer.

Why not simplify the Good Faith and Reg-z so the Consumer can compare fairly and why not insure all loan Originators disclose the same. Wouldn't that make it easier on everynody. You bet it would.

The costs of a Loan vary in the secondary market due to new risk rating criteria from FNMA/FHLMC, FICO and other credit criteria, and Loan Parameters/guideline that are changed quite often. This results in several thousand choices and scenarios for/per loan applicant. Yet now you want us to digest all those variables up front without doing our due diligence and seeking the loan that is best for the consumer in the very first meeting without all the necessary paperwork. Come on, no other business in America is forced to make an "exact quote" up front, especially with all the variables we must contend with and then threaten us with no compensation if we do need to adjust the Good Faith.

Come on, we have politicians screw up all the time, yet I don't see their paycheck being withheld. Why should a Broker be penalized if the Loan Applicant fails to bring all necessary documents or fails to disclose his information correctly. Let us do our job timely and fairly. Why penalize the consumer by adding unfair business practices that Bankers want have to do. This is not the way to protect consumers. The best practice is to make all Loan Originators follow the same Laws and regulations. this will allow the Consumer to seek and understand Disclosures once prepared by a Loan Originator and then it will allow them to make an informed and prudent decision.

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