

**From:** "Frank Ortiz" <corporatesoldier@gmail.com> on 03/28/2008 08:00:08 PM

**Subject:** Regulation Z

Dear Sir or Madam,

My name is Francisco A. Ortiz, and I am the broker for First Colonial Lending, Inc. The company's address is 3400 Inland Empire Blvd., Suite 101, Ontario, CA 91764 and my cell phone is (909)730-1787.

I want to express my support for some of the proposed amendments to Regulation Z, but respectfully disagree with you on the proposal to restrict compensation for mortgage brokers.

I think mortgage brokers have been demonized by many, particularly direct lenders, for self-serving reasons in the current crisis. I am not saying that all brokers are saints. But, I do think, if you believe in free market capitalism, that brokers do add great value and benefit consumers through competition.

I compete with direct lenders everyday to earn a decent living for my family. How do I do this? I meet clients at their kitchen table at 10 o'clock at night, because that's the only time they have available, and stay with them until midnight going over their loan documents. I answer my cell phone Saturday night or Sunday afternoon because that's when my clients need the answer. (Please call me tonight if you want to test me). I visit real estate offices in the middle of summer and tell new agents about available loan programs and offer to meet with their clients on Saturday. I do all of this while the sharply-dressed-good-looking loan officer who works at the air-conditioned lobby of Bank of America eats dinner with his family, spends his Sunday at Church, or goes out to catch a movie at the local theatre on Saturday night. Do they return phone calls at midnight? I don't think so. This is competition. It is what I do proudly. I do it with honor, honesty, and respect towards everyone and particularly my clients. May God forgive me if I make some money. I think I earned it.

Besides, I contend that every mortgage originator technically is a mortgage broker. There's many so called direct lenders which advertise on the radio and demonize brokers all the time. They are just lucky enough, or rich enough, to have a multi-million dollar line of credit to fund their loans. Why are they so special? They are not lending their own money. What about Wells Fargo or Bank of America which securitize their loans into a thousand pieces and get a nice spread for it? They are also not lending their own money. Why are they not disclosing their profits? Why establish a double standard?

Banks don't disclose their YSP. Is it that they're not making money off the rate? I don't think so, because you and I know that they are. I think the FED must address this situation fairly. To do it any other way would be anti-American. Apply the same rules to ALL MORTGAGE ORIGINATORS.

Do you think that fraud doesn't happen with direct lenders? Is that why you want to regulate brokers more? Do you think that direct lenders always give their clients the best deal possible? Obviously, you haven't walked in my shoes and seen what I have seen in the front lines where the tire meets the road.

Thank you.