From: "John P. Little" <JPLittle@CLMCmortgage.com> on 04/01/2008 08:35:03 AM

Subject: Regulation Z

Dear Sirs/Madams:

My name is John Little and I have been a duly Licensed Mortgage Broker in The State of Florida for Thirty One years. I have represented many borrowers on their Mortgage Applications and I pride myself in the accuracy of each and every application I have taken and have placed with many diverse lenders.

My “Subprime” business was less than 2% of my originations and in each instance I assured myself of the borrowers’ ability to make the applicable mortgage payments based on the borrowers’ statements AND my independent investigation. I have not and would not knowingly process and application that did not accurately reflect the borrowers’ accurate position.

Out of the several thousand loans I have done I am only aware of two foreclosure situations and each of them were due to events, unforeseeable events, happening long after the mortgage origination. I have been hired as an Expert Witness in court cases involving Mortgage Litigation and my opinion has been sought by other Mortgage Professionals in The State of Florida.

Further, I am Chairman of the Board of a Licensed Florida Correspondent Mortgage Lender that is approved by the FHA to originate FHA loans, both regular FHA Mortgages and Reverse Mortgages. I value my integrity and position within the Mortgage Industry and I support most of the reforms proposed by Docket R-1305, Board of Governors of The Federal Reserve System.

However, my review of the proposed rules in the Docket, appear to me to create an unlevel playing field as to those mortgage originators that work for direct lenders. I enjoy competition with direct lenders as I can normally offer better service and rates. This provides a real service to my client. The proposed Docket will create an uneven fiend for such competition and create the perception that the borrower will be getting a better mortgage from a direct lender when, in fact, the borrower does not.

In The State of Florida, effective October 1, 2007, Yield Spread Premiums must be disclosed up front on all Good Faith Estimates. Not withstanding the October 1st law, I have always disclosed up front Yield Spread Premiums and I have explained to the borrowers my exact compensation. Yield Spread Premiums are a fact of life and a proper form of compensation for a Mortgage Originator. Direct Lenders also have Yield Spread Premiums that, at present do not need to be disclosed. When a Direct Lender sells the mortgage, and over 90% of mortgages are sold by direct lenders, the lender participates in a Yield Spread Premium as part of the sale. After all, such a sale without a profit benefits no one.

Rater than penalize one segment of the Mortgage Industry, as it appears the Docket does do, the regulations should apply to ALL MORTGAGE ORIGINATORS, whether brokering, acting as a Correspondent or working for a Bank or Direct Lender.

Thank you for taking the time to read my comments.

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