From: "Gina Harris" <ginah@bamloans.com> on 04/01/2008 11:00:02 AM

Subject: Regulation Z

I am a licensed Mortgage Broker and owner of a Correspondent Lending office in Tampa Florida. I have held a license in Florida for over 16 years, and had my company for over 10 years. My team and I pride ourselves on doing the right thing for our clients, always, and even at our expense in some circumstances. While I applaud the spirit of consumer protection in the recently proposed amendment of Regulation Z, I feel it also would impose significant and unfair burdens on mortgage brokers.

In particular, disclosures would have to be made *before* the consumer paid any fee to any person, *and* before submitting an application. Brokers may only receive compensation disclosed in that manner. If there is no such disclosure, the mortgage brokers cannot be paid by any amount by any party, lender or borrower. How can anyone possibly determine rate or fees prior to verifying a client's information? Additionally, we often use part of the SRP/YSP from the lender to help pay fees and assist in closing the transaction. This is especially true with refinances due to the decrease in value in most areas. Since there is no way to accurately determine the value until appraisal, we simply could not know prior to application how we need to structure a deal to achieve the maximum benefit to the homeowner. Flexibility in structuring how compensation is used has allowed us to save many homeowners from foreclosure. Taking away that flexibitity can simply not be in the consumers best interest.

Targeting only brokers, while not requiring other mortgage originators to disclose the specific dollar amount which they would earn from a transaction, is discriminatory. Unfortunately there are bad apples at banks and direct lenders, not just brokers. They work on commission as well, and do make more for selling higher rates. or specific programs. They just are not required to disclose. Where is the consumer protection in that? You only need to examine the pay option ARM's sold by Countrywide and Home Bank originators to very this is true.

We are already required to disclose yield spread premiums in both the GFE and HUD-1. Additionally, we must disclose any material change within three days of our knowledge of such change. If an originator is doing their job properly, a broker's client is far more informed through out the process than a client dealing with a direct mortgage lender or bank. I cannot tell you how many times I have seen client not get the deal they thought from a bank when they get to closing. They do not even get a Good Faith Estimate half the time. How can you require additional disclosures from brokers, but not other originators, and say you are protecting consumers?

All originators regardless, should be working on behalf of the client. On a level playing field, most brokers can negotiate better rates, and provide better service for homeowners. If we are driven out of business, the clients will ultimately lose the competitive edge we provide.

I would like to respectfully suggest that alternatives to the proposed regulation be explored. Please consider a change which would protect consumers in their dealings with *all* mortgage originators, and encourage competition on price and service from *everyone* in the mortgage and banking industry.

Best Regards,
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