

Shamrock

MORTGAGE COMPANY, LLC

Mr. Gerry Casey
SMCLLC
19 Longview Drive
North Haven, CT 06473

04/01/08

Board of Governors of the Federal Reserve System
Washington, DC

RE: Docket No. R-1305

Dear Sirs;

Thank you for taking the time to read this communication I know that these are busy times for all of us. I am a 22 + year veteran of the Residential Mortgage Industry and have owned and managed my Shamrock Mortgage Company, LLC in Connecticut for over 12 years. During that time the business regulations have evolved but the core principle of the industry have always remained. Those principle being that the role of the Professional Mortgage Broker is to act as a conduit between Lender and Consumer, serving in a role that *provides service & benefit to all* parties involved.

I am in full support of the Boards proposed amendments to Reg. Z, *but oppose the proposal to restrict compensation for Mortgage Brokers*. As Mortgage Brokers we already disclose far more information than occupations that provide similar "go between" roles. If an individual, in another industry, sells an item he obtained from a Wholesaler, is he required by law to tell the consumer what his profit is? No.

Even more upsetting to me is the possibility that the New Proposed Rule may not *apply equally to All Mortgage Originators*. As a Professional Mortgage Broker I compete for the consumers business with Direct Lenders, most of whom by the way package and sell their mortgage loans off to another party anyway. How is it that Direct Lenders potentially won't be held to the same high standard of disclosure as Brokers. They are just as likely to have the same issues related to clarity on programs. After the Board has reached agreement on any amendments, *please make them apply to all Mortgage Originators. It is time to stop Direct Lenders from pretending to be above reproach.*

I would also like to take this opportunity to discuss some simple facts about how a reputable small business Shamrock Mortgage Co. LLC operates. When we enter into an application with a client, we don't know, up front, exactly how much I going to make on a transaction. Certainly we have a range, but early in the process we may not even know to which of the several Lenders Shamrock represents the file is going. Many clients' applications *evolve and change during the process*. Since the compensation a Broker receives from a Lender varies from Lender to Lender, based on several variables The Program, The Time Period (lock to close), The Credit, The Down payment, Loan Amount and many other factors. *This reality of operation makes it impossible to give a precise dollar estimate of fees and compensation up front*. On some transactions Shamrock makes far less than others, yet every client gets the same level of superior service. For the record, as the System is Currently, Direct Lenders don't disclose what their profit is on a given transaction. They certainly are making money, that is the point of being in business.

Let's not be vague here, I believe this industry should have Federal Oversight & Regulation. It is necessary to protect the consumer from those that would take advantage. I realize that yours is not an easy task. I trust our system and I hope that your experience & research will lead you conclusions that assist consumers. All I ask is that you keep in mind that there are thousands of reputable Mortgage Brokers operating within the system in this country, who could be forced out of business if new regulations don't treat Direct Lenders & Mortgage Brokers Equally, as competitors for the same consumer business!

Thank you for your consideration on the above issues.

Sincerely;

Mr. Gerry Casey
Owner, Sr. Mbr.
SMCLLC