

From: "Shawn Broadbent" <shawn@magellancm.com> on 04/01/2008 12:12:13 PM

Subject: Regulation Z

My name is Shawn Broadbent and I am from Boise, Idaho. I am a mortgage broker here in Boise and I love my job. I support the Federal Reserve Board's idea to protect consumers, but I do oppose of the proposal to restrict compensation for mortgage brokers.

I find it impossible to give a precise dollar amount of fees a broker will charge in a transaction before an application is submitted. I would not know the loan amount that the consumer is looking for. I would not know the consumers credit information or financial information. I would not even know what program the consumer would be looking for at that time. All of these factors would change the outcome of rate and YSP.

I find it would be very hard to compete with mortgage lenders if it is required that a broker disclose all compensation prior to application. Mortgage lenders would be able to steer away consumers if they were not required to disclose, and it was required by brokers.

A mortgage lender now days typically packages loans and sells them which in return the lender gets compensated with SRP (service release premium). This compensation in most cases exceeds the amount of any YSP compensation. This figure has never been required as a lender to disclose this to the consumer.

I suggest that the Fed consider an alternative to the proposed regulation which would protect consumers in their dealings with all mortgage originators. Let's try to make it competitive on pricing and service between lenders and brokers.

I thank you for your time and for considering my comments.

Sincerely,

Shawn Broadbent
Mortgage Broker