

From: "Matthew Ewald" <matthew.ewald@gmail.com> on 04/01/2008 12:20:05 PM

Subject: Regulation Z

To whom it may concern:

I am writing to respectfully oppose the proposal to restrict compensation for mortgage brokers, while supporting the consumer protection goals of the Federal Reserve Board proposed amendment to Regulation Z.

As a highly trained financial advisor and mortgage broker with over 5 years experience and advance degrees in finance I feel the legislation as proposed will hurt consumers and further confuse consumers.

HUD already requires disclosure of yield spread premiums in both the GFE and HUD-1. However, the Fed believes additional disclosure is needed from brokers, but not other originators, to protect consumers because, the Fed claims, consumers believe that brokers are a "trusted advisor" who are bound to get the best possible deal for borrowers, but do not view other originators in the same way. The Fed has taken this position even though exhaustive studies of mortgage disclosures by the Federal Trade Commission, the government's principal consumer protection agency, in 2004 and 2007 show that additional disclosures of mortgage broker compensation created confusion, caused consumers to choose more expensive loans, led to a bias against broker-assisted transactions, and impeded competition, thus hurting consumers.

Please work to correct the shortcomings and close the loop holes which hurt the consumers before any changes are implemented.

I wish to thank the Board of Governors of the Federal Reserve for considering the comments I have sent in.

Matthew Ewald, MBA