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Subject: Regulation Z

With all due respect to the Federal Reserve Board for trying to protect consumers, this proposed rule would impose unfair & significant burdens on mortgage brokers. The proposal blatantly singles out the mortgage broker & has the potential to dramatically harm the mortgage brokerage business by grossly restricting brokers compensation.

The services provided by mortgage brokers as intermediaries between borrowers & wholesale lenders, are to both parties without representing neither.

Currently brokers must compete with direct lenders, who typically package & resell the loans they originate. Their involvement in the loan process is similar, in nature, to brokering. In most cases consumers cannot distinguish between brokers & lenders because of numerous similarities such as names, signs & advertising, to name a few.

For the sake of fair competition, proposed disclosures should apply to all lenders, bankers & originators - not only to brokers -in the industry. Requiring brokers to make pre-determined binding compensation disclosures will only serve competitors by helping them steer consumers away from brokers. This would counter the consumer's best interest when brokers are able to offer more favorable loans than the competition.

It is virtually impossible to determine an accurate estimate of fees in advance of an application submission without having a complete picture of all variables associated with borrowers such as financial status, desired and/or suitable product, loan amount which can vary throughout the loan process.

It would be in the consumers interests for the board to consider alternatives which can actually promote price & service competition.

Mortgage brokers are not the source of the current credit crunch. Imposing unfair restrictions to eliminate them from the mortgage industry is not the solution.

We are grateful for the opportunity to express our views on this matter & thank the federal reserve board of governors for their consideration.

Respectfully,

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