

From: "Leo Gavilan" <Lgavilan@lionfcg.com> on 04/01/2008 12:55:03 PM

Subject: Regulation Z

RE: Docket No. R-1305

I disagree with this proposal. All blame is being reflected onto the sales people. Mortgage brokers, loan officers, realtors etc... In any company or business that goes in the wrong direction it is not the fault of the sales person. It is the fault of the operations, management, and VP's of company.

In this case the sales people offer the products, it is up to the UW guidelines, QC departments, VP of lending institution to make sure the lending market is balanced and well administered.

Having a sales person divulge what the compensation they are receiving for a loan is simply putting the blame of all that occurred on the sales person. The lenders will continue earning the same amount funding the loans and selling them in the secondary market.

I agree something must be done but to place these laws on originators is similar to punishing the sales people of any company from bringing in business. This will inevitably hurt the market because less sales people will originate, therefore less loans closed, therefore less loans sold to the secondary market, therefore an overall negative trickle affect to our overall industry.

Yes do something! But hurting the sales person does not solve the problem. It simply creates another.

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