

**From:** "Tom Ischkum" <TIschkum@gsf-mortgage.com> on 04/05/2008 07:25:01 PM

**Subject:** Regulation Z

Dear Board of governors,

In regards to the new proposed rule to Amend Regulation Z in direct relation only to mortgage brokers:

I am a mortgage broker and I to believe there needs to be change in the way ALL originators do business not just brokers .

As stated by HUD they want yield spread premiums and all compensation on both the GFE and HUD-1 statement to accurately show the borrower how much in costs the entire transaction is going to cost , not just the brokers yield spread and other fees.

The Fed believes that additional disclosure is needed from brokers but not other originators , (WHY) when the Banks (Savings & Loans and otherwise) write the same if not more business than brokers. I deal with savings and loans employees and they receive compensation and spiffs for writing loans as well as brokers.

What exactly makes them different here? They both must be ethical and find the best loan for the borrower , they both act as a "trusted advisor" and even more so at a savings and loan because they have your deposits and investments, cds and such.

If we are trying to amend (which we should for ALL originations) we should come up with a solution that is not "targeted" against one particular party. Our country was not built on that foundation.

Lets say this was directed for any one who receives YSP , origination fees or any sort of spiff or commission Banker or Broker.

This would be an example:

It would be interesting to go to the local bank (Bank of America) and sit down with the personal banker Joe.

Joe says now we before we start this loan I want to let you know I am paid 30K per year on a salary basis , however if I do 15 loan originations in a month I then receive a 50 bonus for each loan. On top of that, if any of those are in a what would be considered a depressed area then I get 100.00 for those , so as you can see I can make anywhere from 30K to 80K based on how many transactions I do . Now , lets get get started how can I help you with your loan today? Joe by the way is not even required to carry a license because he works for a savings and loan, who for some reason are exempt from education requirements. Sounds a bit ridiculous does it not , If we ask brokers to state commissions we ask ALL originators as we all write the same loans. Fannie/ Freddie /FHA/VA.

If this is a sub prime fix then end lenders should be sending out additional disclosures that they are all ready required to send out for all loan transactions. As it stands we disclose on the GFE and HUD-1 , our end lenders rediclose, and now we are being asked to disclose what is being disclosed 3 times already.

But not all originators just brokers, again I ask, why? I take personal pride in all my loan applications, and I take comfort knowing my personal banker at Bank of America is my "Trusted Advisor" after all he has all my deposits and my mortgage, does that not make him a trusted advisor? If not , it should.

Consumers already cannot tell the difference between Broker , Banker, or savings and loan Originator. Why should they, all they want is a good loan that fits their needs and they want to trust their originator , that is the only person they know thru the entire transaction. In my career I have never been asked are you a Banker, Broker , Savings and loan originator? Again, as you can see this must be for all originations, its about whats best for all borrowers. Not just ones that deal with a Broker companies originators.

Lets not target one party here. We all know we need to look at the system, the whole system not just part of it. Any one who originates any loan and is compensated or spiffed from Bank or Broker or Savings and loan should be included. This should be about all originations not some.

After all, If you are Amending this to protect the Buyers shouldn't you be protecting all Buyers or just some Buyers?

I would ask you please to consider alternatives to the proposed regulation which could protect consumers in their dealings with all originators, and encourage competition on price and service.

Thank you for considering these comments.

Thanks



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