From: "Lynda Kerwin" <lynda@sazmortgage.com> on 04/08/2008 05:55:02 PM

Subject: Regulation Z

My name is Lynda Kerwin and I am a member of a mortgage brokerage in Tucson, Arizona. Our company name is Southern Arizona Mortgage Services, LLC. I am writing this email in response to the above reference proposal. I have reviewed the proposed federal rule that would amend Reg Z, and am very concerned and thoroughly disappointed. First, I would argue that mortgage brokers are able to provide a wider array of products at lower rates to the consumers, in most cases. We already disclose our fees and our yield spread premium. Mortgage bankers are not required to disclose their service release premiums. While it has a different name, it is yield spread all the same. Even with the broker's disclosure of yield spread, we still effectively service the consumer. How do we serve the borrower if we disclose fees and yield spread before we even take an application. Without pulling a client's credit report and running their loan for automated approval, we cannot accurately disclose what rate we will offer (thereby determining our yield spread). The fees and compensation by a lender to the broker is already on the Good Faith Estimate. If the mortgage process is already so difficult for a lay person to understand, why would you try to further confuse them with additional and repetitive disclosures? Clearly this proposed rule change was not thought through rationally, and certainly not by anyone who has experience in this profession. And I want to know why brokers, not mortgage bankers, are the target of the proposed change. Is it not the banks that are in so much financial trouble right now? Already they are exempt from disclosing all of their compensation. Perhaps we should start by leveling the playing field before attempting to bring mortgage brokers to the brink of extinction. Thank you.