

April 4, 2008

Elizabeth C. Allen  
First Triad Mortgage  
3714 Alliance Drive, suite 100  
Greensboro, N.C. 27407

Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street Constitution Avenue, NW  
Washington, DC 20551

Re: Proposed Rule amending Regulation Z

Dear Secretary,

As a mortgage professional, I support initiatives by the Federal Reserve Board that encourage fair competition among various lending entities and help the consumer better understand and select a mortgage. That being said, this proposal in its present state would fail to accomplish these goals.

First, this proposal is negatively biased towards mortgage brokers. Requiring mortgage brokers only and not other loan originators to make additional compensation disclosures would create an unfair marketplace. In order to truly help the consumer and look out for their best interest, all originators should have to adhere to the same standards.

Second, it is not realistic to require that a broker accurately disclose a precise estimate of fees prior to application. At this point, there are too many unknown variables such as a borrower's financial status, transaction details, loan amount, and borrower's credit worthiness that hinder the broker's ability to accurately disclose.

Third, it is not reasonable to think that an originator can determine a borrower has the ability to repay the mortgage for which they are applying for seven years. Many things can happen between the time a loan closes and seven years. For example, an individual could become ill or lose a job due to a company closing. Basically, you would be asking for an originator to predict the future. Clearly, we can not foresee the misfortunes of an individual and should not be expected to be held accountable for or for providing assurances of a borrower ability to repay over an extended period of time.

In summary, I think this proposal would fail to meet its objectives. My hope is that the Federal Reserve Board will consider alternatives that are more focused on creating an overall standard for all mortgage originators instead of singling out one group. The consumer would be better served if everyone is held to the same standards and requirements thus making it easier to compare one mortgage to another.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Elizabeth C. Allen". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Elizabeth C. Allen  
Vice President

Cc: Elizabeth Dole  
Cc: Richard Burr