

**From:** "allstateken" <AllstateKen@Earthlink.net> on 04/08/2008 03:05:03 PM

**Subject:** Regulation Z

To: Jennifer J. Johnson, Secretary, Board of Governors  
Federal Reserve System  
20th Street & Constitution Avenue NW  
Washington, D.C. 20551

Dear MS Johnson,

Allstate Mortgage of Northwest Florida, Inc is an independent mortgage brokerage company owned by my wife Carol and myself. We truly enjoy helping our clients find the best, affordable financing for their new home. We charge a very competitive rate for our services, from 2% down to 0.5% depending on the size of the mortgage loan and the amount of work involved. It is not unusual for us to work with a. County Assistance b. Rural Development USDA and c. The Lender, on 1<sup>st</sup> time homebuyer transactions. Significantly more work to meet the requirements of three entities.

I would like to express my appreciation and support for the Consumer Protection goals of the Federal Reserve Board. Carol & I do not like to be associated with unscrupulous loan officers and brokers. It is bad for our industry. I do recognize how complex and difficult your task can be if we are to maintain flexibility in the loan process. High end clients with high income and high credit scores are usually not a problem, unless they become involved in highly speculative behavior like Condo flipping. Lower and medium income clients take more time in the process to determine their best loan program and assistance program categories. My wife Carol and I fully disclose any and all fees and allow the customer to determine how they would like to compensate us, ie; a. In yield spread premium b. In the loan amount c. In cash at closing, or a combination of each. This decision is affected by the borrower's availability of cash as well as their Debt to Income Ratio margin. Often, this is not worked out until we see the home appraisal, acceptance of the client into assistance programs and subsequent contract renegotiations. Stating our exact fees in advance is often not practical or fair, until the final contract and program approvals are worked out. Requiring exact fee statements in advance would force us to quote high fees to cover the most difficult situations anticipated. This would result in either a. the customer is overcharged or b. the customer goes to a Bank or Direct Lender who does not play by the same rules and "appears to be lower cost".

We support full disclosure and we practice full disclosure. Once the customer is qualified and their loan and assistance programs determined, our fees do not change from those on the Good Faith Estimate to the final HUD at closing. We never put clients into mortgage loans that they can not comfortably afford to pay, based on

their existing financial and employment situation. There is no way that we can predict their employment and medical condition over a seven (7) year period.

Thank you for considering our comments,

Ken & Carol Parks - Owners

Licensed Mortgage Brokers

**Allstate Mortgage**

of NW Florida, Inc

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