

From: "Bob Flemming" <bob@usmortgagecenter.com> on 04/02/2008 09:20:03 PM

Subject: Regulation Z

Dear Board of Governors:

I am responding to the proposed rule amending Regulation Z. Based on the California and National Associations of Mortgage Brokers review of the proposed rule changes, they and I are very concerned that a mistake is about to be made.

First of all, any rule that affects only mortgage brokers and not all mortgage originators is flawed instantly. To have consumer disclosures is reasonable but to single out only one faction of the industry clearly gives an advantage to some and a disadvantage to others. If clearer disclosures are required then do it across the board, anything else is frankly, dumb.

The proposed disclosure is also flawed. Imagine you took your car to an auto mechanic and before he looked at the car he had to give you an estimate, that sounds silly because it is. The proposal to have originators (brokers only) give a written disclosure with our compensation before we have seen an application and without realizing how much or how little work will be put into the loan is again, dumb.

The facts are the mortgage industry is regulated very heavily and Washington's "knee jerk reaction" to a market dip is predictable and worrisome at the same time. The administration has already done a commendable job of encouraging the private sector to solve these problems. In addition, the Fed's actions have been done in the correct measures and with creativity in mind and should be applauded. And please remember that personal responsibility by consumers should not be forgotten. Not one broker held a gun to a borrower's head and forced a transaction.

I encourage you not to single out mortgage brokers who with a rule that is akin to the mechanic analogy. Please use your wisdom and correct the impending rule change.

Thank you for your time and consideration.

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