

From: "JAMES WICK" <jrwck2@msn.com> on 04/02/2008 09:30:04 PM

Subject: Regulation Z

Dear Federal Reserve Board,

The proposed changes to Reg-Z require that brokers, and only brokers, provide consumers a binding, written disclosure of the total dollar amount of their compensation (including YSP, Origination Fees, Processing Fees, Underwriting Fees and all other fees earned) prior to application. Requiring only brokers to provide such a disclosure will confuse and harm consumers who will mistakenly believe that lenders who don't disclose their compensation are saving them money. This is blatantly discriminatory and I am outraged.

Why are you people focusing on the mortgage broker, when in fact, most of the sub-prime loans were originated were through direct lenders that you are leaving out of this equation? All lenders should play by the same rules! That would be fair!

Why are you taking taxpayer money and bailing out Bear Stearns, and other Wall Street firms who are the one who originated these sub-prime loans to begin with? They are the ones who were getting fat from the profits! Now that the tide turned and these loans are troublesome, you wish to point the finger at the little guy on the street who originates the loans (the mortgage broker) these lenders and investment firms created?? What a farce! Are you guys for real?? Do you really think the public believes the mortgage broker caused the current state of affairs?

Do you really think busting the mortgage brokers backside like this will solve the problem? Of course you do not. This is just some crap you thought up to make it look like you're doing something. **THIS WILL NOT SOLVE A THING, OTHER THAN POSSIBLY PUT THE MORTGAGE BROKER AT SUCH A DISADVANTAGE AND CONFUSE CONSUMERS SO MUCH THAT THEY WILL THINK A DIRECT LENDER IS THE WAY TO GO, AND THUS PUT A HUGE INDUSTRY OUR OF BUSINESS!!!!!!**

Requiring brokers to disclose their total compensation as a dollar amount before application will also lead to seat-of-the-pants service estimates based on partial information. A Mortgage Broker will be required to blindly, without adequate underwriting criteria, disclose to a borrower their total dollar compensation for a given loan without the opportunity to make adjustments based on unforeseen circumstances. Each loan varies in degree of work performed. Are you going to make contractors, and other businesses who give estimates, stand by that estimate, no matter any extra work that comes up from circumstances unforeseen by anyone?? Hell no. So why pick on the mortgage broker??

The proposed changes to Reg-Z dictate harsh underwriting guidelines for a new class of higher cost loans, those with APR's that exceed comparable treasury yields by a certain margin: 3% above for first mortgages or 5% for second mortgages. The proposed triggers are far too inclusive and will subject many Jumbo, Alt-A, Agency-Jumbo and FHA loans to these new guidelines, preventing credit worthy borrowers from obtaining financing.

Why not do something useful and stop the Oil and Pharmaceutical companies from completely fleecing America?? Oh, I forgot about all the greasing all you politicians get from the lobbyist and said companies you protect, so you will not ever do a damn thing.

I am simply appalled at this Docket and what you are trying to do. It is discrimination, pure and simple!!

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