

From: "Nicole McGlothlin" <nicole@fourlegaciesmortgage.com> on 04/03/2008 01:05:08 PM

Subject: Regulation Z

Proposed Rule Amending Regulation Z (Truth in Lending and HOEPA)

My name is Nicole McGlothlin, GMA, I currently am employed with Four Legacies Mortgage, Des Moines, Iowa 50265.

I would like to express my support to the proposed amendments to Regulation Z, but I respectfully oppose the proposal to restrict the compensation ideas for the mortgage brokers. As a mortgage broker I feel my responsibility to my customer is to do the shopping for them. Customers often come to you looking for the best deal and that is what our service is based on, we have relationships with multiple banks so that we can provide our customers the best product for the best price. I also take pride in making sure that every customer is educated on all the programs that are available to them, this way they can make the educated decision on what will be best for their situation. We already have it difficult enough with all the current regulations that we have that a bank does not, and all this will do is aloe the bankers to continue to charge a higher YSP and still not disclose it to there customers. By letting us compete on the wholesale level it is making banks to stay as honest as possible to insure there continuation of business. Most customers are unaware the advantages to using a broker over a banker and honestly currently they are getting a more honest loan through the brokers, we are already having to disclose out ysp on the HUD where as the banks do not. The ysp where as it may seem to be purely profit is also used to pay costs that were done in order to facilitate the loan, and to pay certain other associated costs. I just really think by looking at the big picture it will continue to push our consumers into the hands of brokers who DO NOT have to abide by the same rules and regulations therefore taking the competition out of the market. While this may sound good to some, you have just taken the competition away and essentially given the power to the undisclosed broker/bankers and lenders to get away with charging even higher fees again because they do not have to disclose any of it and they no longer have the competition, in turn making it so the customers that we were trying to originally trying to protect are more taken advantage of then ever before.

It is also going to be impossible for us to disclose BEFORE the loan is submitted what the total cost of the loan will be. At the time of initial submission we usually will have no idea what their financial situation is, the program that they will qualify for, loan amount, type of product and many other significant details of what would be required in going into this disclosure, which in turn again just creates a bigger disaster. I really think that the Fed Could consider different alternatives to the proposed regulation. I think we need to look at a bill that better protect consumers in their dealings with ALL mortgage originators and to encourage a fair playing field. This will in turn give the consumer the best opportunity to make a decision, it will do this by encouraging competition(EQUAL COMPETITION) on both price and service.

I thank you in advance for your time and attention to this matter.

Thank you,

Nicole McGlothlin

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