

**From:** "Laura Mitchell" <lauraahl@bellsouth.net> on 04/03/2008 08:10:03 PM

**Subject:** Regulation Z

My name is Laura Mitchell and I am a mortgage broker/owner of a small company in the city of Decatur, Alabama. I was born in Havana, Cuba in 1954 but have been in the United States since 1957 and am a citizen. I tell you this so you know that I am Hispanic and a woman. I have been in the mortgage business since 1978. I have worked for many different banks and mortgage companies. In 2001, I decided to work for my self. I soon discovered that being a mortgage broker had more restrictions than being a mortgage banker. Being a mortgage banker we did not have to disclose to our customers that we could quote a higher interest rate and the bank would earn a premium IN ADDITION to the service release premium they were going to earn from servicing the loan. I did not mind the fact that I had to disclose it on the good faith estimate twice, once in the 800 series and again at the bottom of the good faith estimate and of course re-disclose if there were any changes as well as disclose it on the closing statement. For some reason, that does not seem to be good enough for the Federal Reserve. Now I am going to be prohibited from receiving any compensation unless the specific dollar amount of the total compensation the broker would receive from both the borrower and the lender, including yield spread premiums, was agreed upon with the borrower BEFORE an application was submitted. There are many occasions when a borrower applies for a mortgage application BEFORE they even have a property or any dollar amount.

I do understand support the intent to protect the consumer. I also want to protect the consumer. My success in this business depends on the consumer being happy with my services and referring me to others. I would not have been able to do this for a living for so many years if that were not my major concern. I respectfully oppose the proposal to restrict compensation for mortgage brokers. This is still the United States of America NOT Cuba and we should still be able to own and operate our business without the interference of our government. It is hard enough as it is for me to be able to compete with the big guys but now you want to impose more regulations on the small broker only. Any regulations that you wish to impose should apply equally to ALL mortgage originators not just brokers.

Everyday I am seeing where the government wants to impose more regulations to mortgage brokers for example HR3915, Fed Reserve Proposed Rule to amend Reg Z, HUD wanting to revise the Good Faith Estimate, Service Providers wanting to prevent mortgage brokers from ordering the appraisals, FHA restrictions in allowing mortgage brokers to originate FHA loans, etc... You are making it harder and harder for me to be able to make a living for me and my family. I can not even refinance my own home because we can no longer provide no income verification type loans and being self employed it is hard for me to prove that I earn enough money to pay my obligations in a timely manner. My son works for a steel company where the majority of his pay is based on production bonus but since he has not been with the company for 3 years, it is hard to prove that he can afford to refinance his home mortgage much less try to purchase a new home. My other son earns commission income but since he has not been on his job a full 2 years, it is hard to prove his income. I just gave you examples of 3 families that will be affected by some of these rules and regulations. I am sure there are plenty more just like us.

I am starting to receive solicitations from the big guys offering me to join a net branch or a national partnership.

I ask you to please understand that there are enough rules and regulations that mortgage brokers have to follow. Instead of imposing more rules and regulations, you need to enforce the ones that you already have. This is all that I know how to do for a living and you are trying to take it away from me.

Thank you for allowing me the opportunity to comment on this proposed rule.

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