

From: "Shane McChesney" <shanempi@centurytel.net> on 04/08/2008 09:30:03 PM

Subject: Regulation Z

Date: 4/8/2008

Attn: Board of Governors of the Federal Reserve - Mortgage Oversight

From: Shane McChesney

Mortgage Broker

Kalispell, MT

RE: Docket No. R-1305

To Whom it May Concern:

I would like to express support for the consumer protection goals of the Federal Reserve Board's proposed amendments to Regulation Z, but respectfully oppose the proposal to restrict compensation for mortgage brokers.

As mortgage brokers, we must compete with direct lenders, and the distinctions between brokers and lenders have blurred in recent years as lenders themselves typically package and resell loans they originate. Consumers are largely unable to distinguish between brokers and lenders, which have similar names, use similar signage, and rely on similar advertising. Accordingly, any disclosures should apply equally to ALL mortgage originators, not just brokers. I am all in favor of full disclosure, but, in the real world, requiring brokers, but not other loan originators, to make compensation disclosures, enable the broker's competitors to steer consumers away from brokers, even if brokers offer more favorable loans.

The proposed regulation also poses logistical problems as well. For one example (but not limited to), it is impossible to give a reasonably precise dollar estimate of fees a broker will charge in a transaction before an application is submitted because the broker does not yet know the prospective borrower's financial status, transaction details, type of product sought, or amount of loan, all of which may vary as the transaction progresses.

I encourage the Board of Governors of the Federal Reserve to continue to work to protect consumers, however, please consider alternatives to the proposed regulation that include consumer dealings with all mortgage originators, not just brokers.

Thank you for your consideration.

Respectfully,

Shane McChesney

Mortgage Plus

Kalispell, MT