

From: "Eleni Lemberis" <elenil@aandnmortgage.com> on 04/08/2008 06:35:04 PM

Subject: Regulation Z

To Whom This May Concern:

My name is Neena Vlamis and I am the owner of A and N Mortgage Services, Inc. in Chicago , Illinois . Being an honest and caring mortgage broker over the past 9 years, I understand why the Federal Reserve is proposing a law that would protect consumers. Although I believe in protecting the consumer, drawing a proposal to restrict compensation for mortgage brokers is not the answer. It singles brokers out and is discriminatory. Disclosers apply to all originators, not only brokers. This will only turn consumers away from brokers, not realizing that we could serve them with better loans and customer service.

For years mortgage brokers have helped the industry, acting as a middleman and helping relations between borrowers and lenders. We already have to compete with direct lenders. Brokers and lenders have many similarities, especially in advertising, and most consumers cannot make a distinction between the two. As a broker most of the compensation we receive from the YSP goes directly to funding the loan, covering many closing and other mandatory costs. Most brokers give consumers fees based on a variety of areas. Not knowing a consumer's financial situation, loan amount, or any transaction details, and quoting them their fees is unfair and inaccurate.

I urge you to please consider different alternatives that will protect consumers, and promote competition on price and customer service. Thank you very much for taking the time and reviewing my concern. If you have any questions please feel free to call me directly at 773-305-5626, or email me at neenav@aandnmortgage.com.

I believe that APR is very difficult for borrowers to understand and think that the use of APR doesn't make sense. A lower APR doesn't mean that the client is getting the best deal out there. It could cost them a lot of money up front to buy down their rate but if they aren't keeping the property for a long period of time it doesn't benefit the borrower to pay points to get a lower APR.

In regard to Yield Spread Premium (YSP). I use my YSP to pay closing costs for the borrowers. YSP is a great way to get paid as a loan officer but also to assist with my clients closing costs. I often do "No cost refinances" This means I give my YSP to my borrower to pay their closing costs. This allows the borrower the benefit of a lower rate and monthly savings. Why should a borrower pay a few grand in closing costs to refinance when the difference in the interest rate between .125 pays me more money and only saves them a few dollars. The client is often times better off taking my yield spread for their closing costs and saving their money in a savings account.

Does this make sense? If not I can further explain my thoughts.

Sincerely,

Neena Vlamis

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