

From: "Brad Winget" <bwinget@bpwfinancial.com> on 04/03/2008 01:55:03 PM

Subject: Regulation Z

I am a Mortgage Broker her in Salt Lake City, UT. I have been in business as a small brokerage for just under 10 years. I wanted to take time out of my schedule to write this email as I see this to be a big threat to my business and many others across the country. I am all for additional measures for the consumer that help protect from allot of the problems this country has seen in the mortgage and real estate fields. However, if anything is to be done, every licensed originator should be held to the same standards. Mortgage Brokers are often referred to as lenders and there is little distinction by the consumer between the two. Brokers have a hard enough time these days competing with all of these large banks who have tried their best to take over the industry. It is not fair as small business has and will always be a huge part of this country. Small business has always been a very important part of our past time and supposed future. There are many factors that play a large part in the mortgage and credit crisis. The consumer is one of the biggest factor for pushing the envelopes and taking out these high risk loans. Brokers and Lenders are also at fault for proposing loans that they knew were high risk. But ultimately, these lenders across the country were wanting to service these loans and made the underwriting requirements that were acceptable for them to lend money to the consumer. Brokers don't have the final say in whether a loan is funded. That is up to the lender. I support the new proposals to help decrease risk to all parties to the transaction. We drastically need to regain the confidence levels and some much needed stability back into the financial industry and more specifically, Real Estate.

It is important to note however, that I am adamantly against the restrictions proposed to cap the mortgage brokers commissions and income. It is hard enough to get loans closed these days unless the loans fit a small window of requirements. I see this to be a potentially huge blow to our industry. Mortgage brokers have and always be a huge part of the mortgage industry. Relationships have always proven to be the key to originating and closing loans. Banks don't always have these personal relationships and therefore have felt it necessary to offer brokers the opportunity to bring loans and to compensate them so lenders can reap the long term benefits from servicing the loans.

Brokers act as an intermediary between all parties to the transaction and make sure the consumers best interests are taken to heart. With this new Reg Z proposals to cap brokers income, it will not only cause more confusion than what already exists with the consumer but it will put many small businesses potentially out of business. No body wants to hide anything from the consumer but brokers should have the opportunity to make the money that is rightfully deserved. Every deal is different and compensation to brokers varies from deal to deal depending on the efforts and services rendered.

Please take into consideration all the brokers across the country and know that there are ways to make this proposal a win win for everyone without taking such drastic measure to restrict and grossly change the way brokers do business. We have had so many other changes and restrictions in our marketplace that have caused many brokers to already close shop. These new regulations will only add further stress and complication to our already volatile business and marketplace. This will have a wide affect on the entire real estate market place. There are ways to act against the credit crunch and the fraud and the mortgage delinquency. I see these measures as a further hindrance on our business. Brokers play such a huge part in this business and I would think it would be in everyone's best interest to help build their businesses. The lenders are responsible to filter through acceptable loans submitted by brokers. They need to act as an adequate safety net to prevent further disaster in our business. However, all of the changes to our underwriting guidelines and the countless other program limitation and changes have virtually already taken care of this problem. On top of the underwriters, we are in a rough state. Please understand how important this is to Brokers and how dramatic of an effect this undoubtedly will cause to our industry.

Thank You Very Much For Your Time and Understanding,

Sincerely,

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