

From: Lester Bleich <lester@nymortgageloans.com> on 04/07/2008 12:25:03 PM

Subject: Regulation Z

To Whom It May Concern:

I am President of First Priority Funding, Inc., a New York State Registered Mortgage Broker. We have been in business since 1987. We are a small mortgage brokerage, a "mom and pop" shop. Since our inception, there has never been a consumer complaint logged against our company with any state or government agency at any time for any reason. We are proud of that fact. I can remember most of the loans we have done in our twenty one years of existence, and I sleep well at night with the knowledge that we have always treated our clients honestly and fairly. The current mortgage crisis which has been a scourge in our industry, has nothing to do with brokers like us. We have never put anyone into a loan that was not fair or proper.

This mortgage crisis has hurt our business in so many ways through no fault of our own. Your proposed rule, while an attempt to be fair, will probably put us out of business. The Yield Spread Premium is how we earn our income. All of our clients request zero point mortgages. As mandated by the New York State Banking Department, we fully disclose our estimated fees in advance using a Good Faith Estimate. However, it would be impossible for us to disclose our exact YSP before we begin the application process. This is usually determined sometime during the processing of the loan based on what is best for the client. If this were a problem for our clients, they would not have come back to us on numerous occasions in the last 21 years. Although I know you are trying to do what's best for the consumer, it is unfair to lump us in with unscrupulous lenders and brokers that cheated their clients in the past. This is still a small minority of our business. I would also like to know why brokers and bankers are being treated differently with this proposed ruling. You are painting a big scarlet "C" on us for cheaters, as opposed to other mortgage lenders who can point to us as the villains in the industry. This is unfair!

I know you must be under great pressure to do something about the current mortgage crisis. I ask you to please consider that in many cases like ours, you are talking about individuals and families that may have to close their doors due to these measures. We already comply with our state regulators. Please do not drive us out of business with your proposed regulation which will hurt some very hard working people that are just trying to earn a living and have acted fairly and responsibly. Whatever rule you decide to go forward with, please treat all mortgage originators equally.

Thank you for your consideration.

Very truly yours,

Lester Bleich
President
First Priority Funding, Inc.
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