

From: "Eric Johnson" <Eric@newcornerstonemtg.com> on 04/08/2008 11:55:04 AM

Subject: Regulation Z

I am a mortgage broker at NEW Cornerstone Mortgage in Green Bay, Wisconsin. I have been originating mortgage loans as a broker for over 12 years, and am a partner in a mortgage brokerage company. Each day I meet with people to assist them. For some clients, it is to find out what type of loan they qualify for to purchase their first home. We review programs they are eligible for, down payment requirements, monthly payments, likelihood of qualifying, and the borrowers comfort level on different price range homes. If it is a current owner interested in reviewing the potential benefits of refinancing, we examine cost vs. savings, and how long they anticipate staying in the current home, as this impacts potential savings.

It is essential that consumers are able to properly evaluate their loan options. Reg Z regulations are very cumbersome and confusing to most borrowers. If Reg Z rules are changed, they should apply to all lenders, not just brokers. To do otherwise would unfairly hinder a broker and his ability to compete with lending institutions not required to comply. To ask a broker to disclose the specific dollar amount of income he will receive before an application is submitted would be extremely difficult when you are in the process of allowing a borrower to examine loan options. Every loan program and lender that I use has different fees, and a borrower often does not decide on a program until after we have submitted it for an approval. To limit the income we are allowed to earn on a loan would restrict our ability to work with the smallest loan amounts, and therefore the lowest income borrowers.

In many cases, I use the YSP earned to credit back some, or many times all costs to a borrower. The ability to use YSP as a tool to pay a borrowers fees allows me to compete with the largest lenders, and create the most competitive loan for my borrowers. To restrict this would certainly damage myself, and my customers.

My hope is that there is further review of possible improvements to the consumer disclosure process, and that the changes that are made will be in the best interest of the consumer, competition, and APPLY TO ALL LENDERS. Please don't make the process more cumbersome. I appreciate the opportunity to have my comments heard. I would welcome a chance to speak to those that are making the decisions in this process.

Sincerely,

Eric Johnson
Senior Loan Officer/Owner
NEW Cornerstone Mortgage
Direct (920) 347-1650
Cell (920) 680-0675
Fax (920) 347-1619
Toll Free (866) 786-6398
E-mail eric@newcornerstonemtg.com