

**National FSB Co
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Wednesday, February 20, 2008

**Jennifer J Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551**

Re: Docket No. R-1305

Ms. Johnson

Please review the following comments regarding the proposed rule revisions to the Truth in Lending Act 12 CFR Part 226.

I am an active Texas Mortgage Broker (#402), and have originated loans in Texas for a little over 26 years.

Overall my opinion is that the proposed revisions and additions to the regulations are well thought out and would appear to further the goals of the truth in lending legislation. My comments will be directed to those proposals that are, in my opinion, either anti-small business or just do not make sense for consumer protections.

Re: 226.36- Consumer/borrowers have an endless opportunity to shop for the best rate/terms for financing or refinancing their primary residence. 1) Internet (Google "mortgage loan Texas"), a couple of thousand sites, 2) Advertisements in printed media (newspapers), 3) Referrals from Realtors, other professionals such as CPA's, Attorneys, etc. and personal acquaintances. I do not think I have originated a loan in the past few years that there were not at least three or more competing offers besides mine for the consumer to evaluate. A lot of the proposed rules under this section have the "flavor" that as a mortgage broker I can run roughshod over my clients and force them to accept whatever product yields me the most compensation. Nothing could be farther from actuality. The current system of upfront disclosures has provided an efficient method of giving consumers the opportunity to shop for a mortgage loan.

Specifically, the requirements of 226.36(a) are unnecessary. I guarantee to my clients a specific rate and closing costs. If market conditions change they still get the same rate and

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terms. What if my compensation improves without any change to the clients agreed to lock in agreement? Should I not be able to have the same opportunity as the creditor to use my skills and take my risks to receive as much compensation as possible? Disclosures that guarantee a certain level of compensation are anti-small business and do create an “unlevel” playing field. The comments that a creditor “does not know” if a particular loan will be sold and how much they will make or how much they will pay an employee is bogus.

My comment would be that the implementation of 226.36(a) would outweigh the benefits, if implemented at all should only be targeted to higher priced mortgages, and should be applicable to all originators, creditors included. I am not against rules that help prevent the abuse of consumers. From a practical point, if the disclosures for 226.36(a) were to be enacted, I would always fill in the compensation blank with the highest amount I think I could earn, and explain to the client how that could happen, such as through any number of situations over which I have no control, such as credit scores, income or asset verification differences, market conditions, etc.

Please feel free to contact me regarding these comments.

Respectively,

**Leon H. Kramer
Mortgage Broker #402**