

**From:** "Ricky Coles" <rcoles@integrityfirsthl.com> on 03/11/2008 04:50:02 PM

**Subject:** Regulation Z

03/11/2008

To:

Re: Docket # R-1305

I would like to explain my issue with the proposed changes to Regulation Z. Although I believe I do understand how these changes are meant to protect the consumer I do not believe these changes will solve the problem and furthermore believe these proposed changes to hurt the consumer by limiting financing options currently available.

I recently structured a loan for a consumer who managed to save for their down payment but was limited to the closing costs the seller could contribute. My solution was to slightly increase the interest rate paying me additional YSP that I utilized to pay a portion of their closing costs. Their monthly payment was only increased \$14 and this solved the problem and made the customer happy. If this option was not available to me I could not have put these first time home buyers into their home.

Just as important to the consumer these changes would put most mortgage brokers out of business completely allowing for a monopoly in the marketplace for the big banks who do not have to disclose Yield Spread Premium which will ultimately lead to higher costs for the consumer. Competition has always been great for our system. I can not site another example of a retailer being required to disclose profits in a free enterprise system like our nation was founded on and I definitely can not find an example where their profits would be limited to an amount that would not allow them to remain in business. I do not see how tens of thousands of unemployed mortgage brokers and loan officers can be helpful to our economy.

Please reconsider these proposed changes and consult with mortgage industry professionals for alternative and more effective solutions to the problem. I will be happy to assist in any way that I can.

Sincerely,

Ricky Coles

**Ricky Coles**

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