

From: "Floyd Walters" <FLOYD@bwamortgage.com> on 04/08/2008 09:20:04 AM

Subject: Regulation Z

Good Morning,

I understand that you are reading comments on proposed changes in Reg Z and I wanted to give you some prospective from a Mortgage Broker for the past 22 years.

My name is Floyd Walters and I own a small brokerage here in La Canada, California. All of my business is repeat and referral and we pride ourselves on trying to treat all our clients as we would want to be treated. I feel very strongly that consumers should be informed and protected as needed by the law. My experience has shown me that consumers are confused often about what a loan is really costing them.

Being licensed here in California, you are aware that we disclose clearly any and all compensation we receive, including any yield spread premium. That is fine with me but here is my point, the consumer does not care! We fill the consumer's file and mailbox with all kinds of disclosures that they simply do not understand and in many cases do not really read.

In my opinion, we need to make things simpler for the consumer so he can really understand the cost of a loan so he can compare. Typically a consumer comes to us (remember all of our business is repeat and referral) after he has spoken to his bank and often at least one run at the internet. The typical consumer cares about four things, rate, points, fees and payments. All he wants to know is this: If Bank of America is offering me a 6%+1.00 point loan vs. what I see on the internet at 5.875%+1.00 point vs. my mortgage broker at 5.75%+1.00 point I am going to pick the broker or if the quotes are reversed, I am going to pick the lower rate and fee. Anything beyond that confuses the consumer. I get calls on YSP disclosures every day. Consumers are confused by it, and frankly, each and every time they tell me they do not care, as long as what they are paying meets or beats the competition!

I hope this makes sense. I know the proposed changes are well intentioned and I agree that an informed consumer is a necessity, but the rule to have mortgage brokers add an additional layer of disclosure when other lenders are not required to does not make good policy for the consumer, in fact it confuses them and does not provide them the benefit intended. Please make the clear but simple!

Thanks for taking the time to read and consider my experience and my thoughts on this matter.

All the Best,

Floyd Walters

Floyd P. Walters
BWA Mortgage
1035 Foothill Blvd.
La Canada, Ca. 91011
818-952-2726 Office
818-952-0604 Fax
floyd@bwamortgage.com