

From: "Donald Frommeyer" <dfrommeyer@amtrust.net> on 04/07/2008 07:05:04 PM

Subject: Regulation Z

My name is Don Frommeyer, CRMS, and I am from Indianapolis Indiana. I own a small Mortgage Broker Company and employ 7 people total in our office. I am writing concerning the proposed rule amending Regulation Z and the Truth in Lending.

I have been in the mortgage business for over 32 years and I do believe in Consumer Protection, however, I do oppose the restriction of compensation to mortgage brokers. I have earned every fee that we have ever charged a customer and it is based on what we do for the customer.

As a Mortgage Broker, I have the ability to review a large amount of lenders that do business with my company. I take meticulous time in talking with the customer to find out what they want and how they see their financial obligation and how they want to proceed. I give my expert opinion on what they have done and accomplished over the years and try to help them with different scenarios to improve their situation. I review each mortgage company's qualifications and requirements and offer a situation to the customer, based on his requests.

In my job, I have to compete daily with direct lenders, but in most part, if that lender cannot do the loan, they are out looking at the same lenders that I am to make the loan. This distinction among broker and direct lender has grown to be seen as the same over the past 5 years and we are both known to typically package and resell loans they originate.

Over these past years, I have also noticed that consumers have been unable to distinguish between brokers and lenders in the market as they have the same look, feel and perform the same duties in getting the customer the loan. They advertise just like brokers and even have free standing origination offices just like brokers.

I have been in the mortgage business for the last 32 years and disclosures to customers should be the same for every originator, be it broker or lender. Over the years, several other employments have had to combine to offer the same information sheets and disclose all of the same disclosures and this too should be the same. We are both in the mortgage business, we both adhere to the same set of legal papers, we are both vying for the customers business, and then we should both be accountable for the same disclosures. All or none. We are the same. We should not be given special treatment. We are making mortgages.

Yield spread premiums are not just compensation, they are ways to make a loan and the customer reduce some costs normally associated with the loan and use money that he might not have at this time to pay these costs. And by requiring brokers, and

not other loan originators, to disclose compensation details makes for a very uneven playing field and the other originators can then tell customers that we charge more for a loan and steer them away from potentially better loans for the customer.

In discussing a loan with the customer, I have a good knowledge of the costs involved, but not everyone. And not knowing exactly what financial condition that the customer may be in, having to disclose a precise estimate of fees relating to their loan is like asking to drive a car not knowing if gas is available to get there. You need to get all of the information, and then be able to analyze the complete transaction.

I suggest that the Federal Reserve consider alternatives to the proposed regulation which would protect consumers in the dealings with all mortgage originators and encourage competition on price and service.

I thank you for the time you have taken to read this and for considering my comments.

Have a GREAT and WONDERFUL day!

Donald J. Frommeyer, CRMS
Senior Vice President, Amtrust Mortgage Funding

Amtrust Mortgage Funding, Inc.
200 Medical Drive, Suite D
Carmel, Indiana 46032
317-575-4355 Fax 317-575-4355