

From: "Ervin Kowitz" <ervink@priorityfs.org> on 04/07/2008 06:00:06 PM

Subject: Regulation Z

Esteemed members of the Board of Governors of the Federal Reserve System:

My name is Ervin J. Kowitz and I am from the state of Maryland. I represent 80 PROFESSIONAL loan officers that share my views and concerns. I have been a mortgage broker in the state of MARYLAND for the last 15 years and hope to continue for another 50 years. I have seen much change to our industry, programs, consumer awareness, and increase in fraud just to mention a few. However, the NON Professional loan officer, I feel this is the Main reason we are in the crisis we face today.

In my years I have come across some people that BEGGED for a second chance, for help that I am PROUD to say I was able to provide. I have acted as advisor, confidant, and Planner during the process. When a client trusts you as a professional that we are and you provide your client with a path that they truly embrace, you feel complete. However unfortunately there have been many others that have preyed on the same type families that I have helped. The difference...is the purpose. The NON professional wants a deal that provides themselves with satisfaction without regard to the client, the Professional Loan Officer provides the client with REAL advice that creates a CLIENT FOR LIFE.

I must say that as the years have passed during my tenure, the mortgage broker and the mortgage lender have become more and more alike. Lenders are glorified brokers....and the client can not differentiate between the two. The non professional representative for the lender has much more opportunity to become predatory if not more so as the non professional representative from the broker. In fact I have witnessed some of the non professional representatives take safe haven in a mortgage lender shop that I would not hire due to there past activities. The increase requirements should not be directed to the mortgage brokers alone....Mortgage Lenders act in the same manner as the mortgage broker. I implore that you recognize this....your efforts to clean up the industry is one sided and I fear your implementations will not solve the issues. These actions will continue to create a safe haven for the non professionals. I feel that it is my duty to inform you that my organization has dual licenses and can shift to a lender status with the snap of the finger...how does this TRULY help your intentions...with all due respect ... it does not.

I agree there must be changes and reinforcements but they must be made to ALL parties; mortgage brokers and mortgage lenders....and maybe even if I may at the source, which is the loan representative.

As I mentioned earlier in my email, I have been a PROFESSIONAL originator for the last 15 years and I have rarely if ever come across a situation where I was able to provide a COMPLETE / ACCURATE picture to my client PRIOR to application. This is simply impossible. Our client situation has not been verified prior to application, and can only be verified when all of the pertinent documents have been obtained from the client

Our clients are the ones at risk, they depend on our expertise to steer them in the right direction

Please do not ignore the impact of dividing the Mortgage Broker and Mortgage Lender will have on our clients.

I would like to thank the Board of Governors of the Federal Reserve for considering my comments and trust your decisions made will be fair and equitable to all parties involved.

Respectfully,

Ervin J. Kowitz
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