

Subj: "Docket No. R-1305"
 Date: 4/8/2008 9:29:40 A.M. Eastern Daylight Time
 From: CATER13973
 To: regs.comments@frb.gov

Dear Sirs,

My Name is Cathy Albel and I am a Licensed Mortgage Broker in Tampa, Florida. I am writing to comment on Docket #R-1305.

I would like to start out by saying that I am in support for better consumer protection goals. I have been in Lending for 25+ years and have always been a respected person in my field. During the height of this market in recent years many unscrupulous brokers found it very easy to call themselves Mortgage Brokers who came in to this industry and left rather quickly when things started slowing down. Consequently, this has left a wake of disaster for both consumers and those of us that are reputable in our fields to clean up. Some tougher restrictions in becoming licensed are certainly warranted as are other changes to protect all parties.

We as reputable Mortgage Brokers have provided a very valuable service to our many loyal clients over the years as well as a very good source of business to the Wholesale Mortgage Lenders. The Real Estate Purchase and Mortgage Transaction completion can be a very daunting one for most people and with our help, it has made the process so much easier for the consumers. Easier in so many ways and protected their interests. I have a very high satisfaction rate with my clients and loyalty over the years with so much business coming from client referrals. This tells us all we are doing something right.

As trusted Mortgage Brokers we can compete and find the best loan program for each of our clients. Everyone's individual needs are very different. Many Direct Lenders that we compete with cannot offer the variety of loan programs that we as Brokers can and have access to. Lenders have a conflict of interest as they package and resell those loans they originate. Our best interest is that of the client. Getting the best loan for that client at the best rate possible. A happy client equals a good client referral and helps to maintain a good standing reputation in the industry. A "WIN WIN" situation by all.

Your new bill is imposing changes to be made to only Mortgage Brokers and NOT Lenders? How is this best for the client? Clients can't distinguish between Mortgage Brokers and Direct Lenders by our names. They may have similar names, advertising, etc. How will this benefit the Consumer? It leaves an opening for Mortgage Lenders to monopolize the market and eliminating competition for the Direct Lenders? Consumers NEVER win in a monopoly. Any and ALL changes directed at Mortgage Brokers MUST apply to Direct Lenders as well to protect the consumer which is the reason for this to begin with.

The subject of Yield Spread. This is what gives us the power to compete with Direct Lenders. It's NO different than what your Financial Planners earn on contract they may write, Direct Lenders essentially earn money this similar way as does any industry that makes a profit margin on goods or services. Most is NOT disclosed to the consumer. Ours is specified and has been in all our documents for years.

Your proposal is to change and disclose up front the "EXACT" amount of YSP up front. It is impossible to do that until such time as the loan is processed and all information is obtained and a Lender for their specific loan is found. It is at the time of lock in that the precise amount is determined. Lenders are currently changing rate 3-5 times a day on many days. The YSP is constantly changing and even some Lenders will not even lock until such time as they have a loan file submitted to their office. Further hindering us to do the BEST job for the CONSUMER.

We strongly suggest at this time that you consider alternative solutions for proposed regulations that would IMPROVE PROTECT the consumers in these matters. Competition on price and service is what gives the Consumer the best protection. Also please make certain that any changes made apply to ALL Direct Lenders as well as Mortgage Brokers to make certain the playing field is level and the best interest of the consumer is protected in the end.

I thank you the Board of Governors of the Federal Reserve for considering my comments.