



Fairway Mortgage, Inc.

Home of the "Fair" Deal
Licensed Mortgage Broker Business

April 8, 2008

Board of Governors of the Federal Reserve System
Email: regs.comment@federalreserve.gov

Re: Docket Number R-1305

I am a small mortgage broker by the name of Fairway Mortgage, Inc. in Boca Raton, FL. Prior to going into this line of work, I owned a credit reporting agency for over 17 years and sold the firm to Credit Data Services, an Experian serviced bureau. I never felt I would be a mortgage broker but combined my financial knowledge with credit knowledge has been a good experience for me. I am an honest broker who discloses all information to the client. My firm believes in a customer for life. Benefiting the consumer is an important area for my firm and for myself as well.

I do support the Federal Reserve Board's consumer protection goals as to its Reg Z's amendments but I must object to restricting the mortgage broker compensation. I feel that mortgage brokers have access to multiple programs and lenders and can put together the best deal for the consumer. Mortgage brokers actually serve the borrower as well as the lender but do not represent either party.

Mortgage brokers are not on a level playing field with direct lenders and banking institutions. With the advent of online services, consumers are easily confused and misdirected often by unlicensed individuals with limited knowledge or only knowledge of their own company's product. Consumers are often baffled by companies, which have similar names and logos.

I support disclosures that would apply to all originators and mortgage brokers countrywide.

The yield spread premium is disclosed to the consumer but is often used to benefit the consumer by the broker using some of this yield spread to pay the consumer's costs if need be.

I have contacted my local banking institutions and asked about rates for a home loan. Their rates are always higher than what I would offer the consumer and not just by 1/8 of a point on the rate either. The consumer is very unaware that the bank loan officer is even being paid. Most consumers think it is just their salary. I have seen banks steer consumers away from brokers and this is extremely dishonest.

Prior to application, it is difficult to give a borrower an exact amount of fees. A credit report has not even been pulled at this time. Sometimes, information the borrower gives you verbally is not always accurate either.

I would like to see the Fed consider alternatives to the proposed regulation, which would protect consumers in their dealings with all mortgage originators, and I would hope to encourage competition on price and service. Our economy does better with more players in the picture and personally, I welcome competition.

I wish to thank you at this time for reading my comments.

Sincerely,

A handwritten signature in cursive script that reads "Bette C. Miller".

Bette C. Miller
President