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April 7, 2008

Board of Governors
Federal Reserve System

Re: Docket No. R-1305

Greetings:

We write today to comment on the referred proposed amendments to Regulation Z (Federal Register, Vol. 73, No. 6).

We appreciate the hard work and diligent efforts of the FRB with respect to this proposed amendment and its noteworthy goal of providing more meaningful information to and protection of the mortgage consumer.

The proposed amended Sections 226.34(a)(4) and 226.35(b)(1) will be challenging to implement at the originator level.

The difficulty in furnishing a precise dollar estimate of fees a broker will charge, particularly before a loan application is submitted, is grounded in the circumstance that the broker often does not know at that point the prospective borrower's financial status or the type of loan product for which the consumer will apply or even transaction details such as the loan amount, all of which will impact the estimate and which may well change during the course of the loan application process.

It should be borne in mind that compensation of the mortgage broker by the payment of yield spread premiums by the lender is a way for the consumer to defer settlement charges by placing a portion of such charges in the loan amount, thus permitting the originator to pay various costs and reduce the amount of money required to be paid by the consumer at settlement. The practice of paying yield spread premiums to mortgage brokers, which is in effect the service release premium paid to a mortgage banker, facilitates the

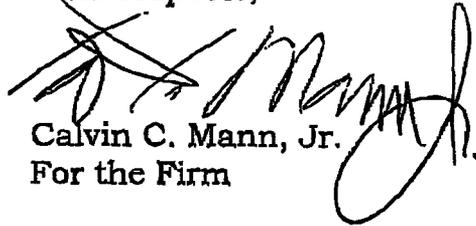
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loan transaction by reducing the at settlement financial burden to the consumer. This practice and obvious consequential consumer benefit should continue unabated.

We are a proponent of competition in the marketplace and encourage competition on the basis of price and service. We also support meaningful disclosures to the consumer. In this context we respectfully suggest the Board consider alternatives to the proposed regulation which will afford the consumer the opportunity to differentiate price and service to make a truly informed decision.

Thank you for your thoughtful consideration of these comments.

With respects,



Calvin C. Mann, Jr.
For the Firm

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