

From: Jeremy D Schachter  
Subject: Reg Z - Truth in Lending

---

Comments:

Date: Dec 04, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages  
Document ID: R-1366  
Document Version: 1  
Release Date: 07/23/2009  
Name: Jeremy D Schachter  
Affiliation:  
Category of Affiliation: Commercial  
Address:  
City:  
State:  
Country: UNITED STATES  
Zip:  
PostalCode:

Comments:

I am an honest mortgage broker in Arizona for the past 5 yrs. I am also a BBB member with a perfect record. Taking away YSP would devesate the industry as a whole for all consumers. I can not tell you how many times I gave a better option, lower rates and better terms for a customer who shopped around comparing my rates to major banks as well as credit unions. This makes a competitive market for all consumers and to get the best loan options out there. This YSP is aimed at brokers, but what about banks? Banks compensate their employees on rates and volume as well? Personally, this would reduce competition and be unfair to consumers as a whole. Presenting a flat fee would devesate this industry as a whole. I look at the bigger picture and many of my clients want the best rate for a 30 or 15 yr term and compare closings costs from one lender to another. Being competitive is the best option to this industry. If we have a flat fee, we can not be competitive vs. the banks. It is not on the same playing field. I understand there are mortgage brokers as well as bankers who are not honest. But removing YSP would reduce competition for the consumer, hence not give the client more options. Many times clients want options about buying down a rate vs. not paying pts. I always compare the difference, the break even pt and let them decide. Banks seem like they are going under the radar and trying to wioe out mortgage brokers b/c they know we are there direct competition. I have many friends who work for major banks like B of A and Wells. I always beat their rates and fees on the same product. Why would this be a bad thing for more competition in the market?