

From: All Shores Mortgage, Gregory M Pfeiffer  
Subject: Reg Z - Truth in Lending

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Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages  
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To Whom It May Concern: This letter is in regards to the proposed amendment to regulation Z which would inhibit mortgage broker's ability to make yield spread premium. I am a small business owner (mortgage broker) located in New York. We pride ourselves on ethical nature of how we conduct business and associate our referral success to this. I have agreed that our industry has been under regulated. This has made this industry easily susceptible to brokers and bankers with malicious intent. The more stringent guidelines for becoming a loan originator was a giant step towards keeping the "slimy broker and banker" from having a dominant role in our industry. With focus on this area we can create a more knowledgeable broker through education, regulation and individual accountability. The ability for the consumer to instantly see the track record of the loan originator that they are dealing with, is a very powerful tool. Organizations like mine will welcome this as it will give us the ability to set ourselves apart and this will weed out the "slimy broker and banker" naturally. I also feel that sum of the more recent regulations attempting to give more transparency, although not having the results hoped; have the right concept and logic behind them. With some tweaking they can be an effective tool to arm the consumer with the knowledge needed to make the most informed decisions. In regards to the proposal in question, I have some concerns about its impact on the broker, which plays a vital role in promoting competition in this industry. The presence of the broker keeps the costs and rates associated with the mortgage process down for the consumer. This proposal will make it tough for us to be competitive with the Big Banks because we will be scared of the liability of sending the borrower to the "wrong" bank, as the proposal only looks at the industry from a one dimensional view. Unfortunately, everyone's situation is different. One of the benefits that I feel my origination brings to our clients is the professional experience to understand the situation and help to create the best solution for our clients. Taking away the brokers ability to compete with the big banks will only exacerbate the problems found

in our industry and make the costs and time associated with these transactions increase. I understand that it is important to have transparency in our industry, but I feel that the broker is unjustly being exclusively targeted. There are going to be "slimy brokers and bankers" in our industry no matter what we do to combat it. Giving the broker an even playing field with the banks by having the same regulations on the banks compensation disclosures, would promote a more competitive marketplace and thus create a more competitive product for the consumer. Sincerely, Gregory M. Pfeiffer