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Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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Comments:

This is one of the worst proposals heading towards a monoply of direct lenders I've seen to date. It appears that you are trynig to drive mortgage brokers out of the industry as a whole with these proposals. Sounds like the government wants every loan to be originated by BofA or Wells Fargo directly. As a broker, myself and my 65 Loan Officers are currently approved with 25 wholesale lenders that I use for specific loan programs: FHA, VA, Conforming, Jumbo, Arms, Jumbo FHA, Jumbo VA, etc. On top of the legal broker applications, rules, regulations, financials, VA approvals, HUD approvals and seperate audits, you now want to start seperate flat rate agreements with each of these lenders. What a horrific papertrail nightmare! Then, I can see a lender offering a flat rate incentive special this month, so use us, then another telling me if I send all my loans to them I'll get this higher flat rate payment on each loan. How is that keeping everything even for anyone involved? Oh, you think by making me prove to my clients that this is the best lender for their loan.."Look, here is my flat rate agreement with this lender. Now I this lender is a lower flat rate, but they can't do your Jumbo VA loan because your credit score is under 720...but the one I picked for you will do under 720 fico scores, but this is the lender I use for 90% of my VA loans, because they give me an even lower flat rate, but again you can't use them." Really? What do you actually think these conversations will be like with clients that we are just simply trying to service and help obtain the American Dream. This is only going to complicate the entire home buying experience with items that clients don;t need to be focused on. As brokers we work harder then ever to get loans closed. And I mean harder then ever before in the history of US Financial Banking. We use YSP to help pay for our clients closing costs and pay off bills or even child support, which all benefits the consumer. Do we make profit from YSP on loans sometimes...yes. It is a job. We do shop rates. We do provide a hands on experience for our clients which is why they have come to us in the first place. The amount of work that we do as mortgage brokers on each loan and just

keeping the doors open to our offices will weed out the criminal brokers that are still in business. You do realize that we don't like them either and we want them out of our industry as much as you do, but the economic climate will take care of that for you. In fact it already has. At the end of 2010 the projected number of mortgage brokers left in the US is estimated to be only 15,000. let us work for the banks and provide our services to mour clients on an even playing feild. Consumers can shop rates that I quote to anyone, and I will tell them if the other guy has a better rate. They have choices, so let us have the choices and tools to help them in each of their individual loan scenarios. Leave the YSP alone and allow us to get back to work.