

From: Chris Sanders  
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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Comments:

As a licensed mortgage broker, I find this new amendment to Reg. Z a disservice to both mortgage broker and the loan consumer. The whole point of YSP is not to make more money, but to allow a consumer to wrap any type of agreed compensation into a loan rather than pay out of pocket. This is especially a good service/practice to consumers who can't afford loan origination fees on purchase deals. Not to mention, this would be a nightmare in paperwork. The whole point of lenders offering YSP to brokers is to give us the "wholesale" rates. We can therefore make commissions while offering the same or better rates consumers can get on their own at the banks. This is simply an incentive to drive our customers to a certain lender while still offering consumers competitive rates. All this will do is drive out the vast majority of brokers who are honest and decent, and allow the unscrupulous brokers to prosper. Please do not pass this legislation as all it does is make our industry less competitive which ultimately, is not in the best interest of the consumer. If you curtail or slowly eliminate brokers, the consumers will lose. Thank you for your time.

Sincerely,

Chris Sanders