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Comments:

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Comments:

Dear Chairman Bernake, I have been watching from California, your 60 minutes interview and several of your appearances before Congress and the Senate. You come from small town roots and you appear to be a decent man. My reason for writing, in January you are going to make a decision on yield spreads and Mortgage brokers. If you decide to implement the restrictions on mortgage brokers you will kill our industry. An industry that processes in normal times 60% of all mortgages that homeowners take out. If the playing field is not level across the playing field we will not be able to compete with the banks. I know there are crooks in our industry, but most brokers are decent and honest people working to take care of these families. The current GFE being adopted on January 1 that FHA has created is all you need to accomplish your goal. If you want to add one more protection for the consumer don't allow mortgage brokers to charge more than 3 to 5 points on a loan and make all banks abide by this law. For example, in high loan to value markets the max points would be 3 pts. In lower mortgage markets say 5 points. This would be a total of all points weather they be upfront or rebate. The reason brokers need this is we do three types of refi's, some clients want to pay points and buy down the rate, some want 0 points (more typical in refi's) and some borrowers want a no points and no fee option, we need a bigger rebate to pay their fees. The new GFE is fair because everyone has to disclose all fees and it gives the client plenty of time to review and shop elsewhere. It is a very comprehensive disclosure. If someone can't understand this document then they shouldn't bother borrowing money. If you really want to make it even more comprehensive then do like reverse mortgages do were the borrower has to call a third party to explain to them the forms or loan that they are attempting to acquire. In my 34 years in the business I have seen banks and mortgage banking companies employee's commit major loan fraud. Fraud is Fraud and it cuts across all company lines. Mortgage Brokers shouldn't have to live by one set of rules and everyone else by another set it is not fair nor is it just. If your goal is to kill the mortgage broker than why not just come out and do it, but if you are just looking out for your fellow Americans, the system is already been accomplished with the new GFE on

January 1. Your a fair man, I will leave it in your hands. Melvin J Samick