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Comments:

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Comments:

I am part owner of a mortgage company and if yield spread is eliminated then we will be put out of business. I am sure it will do the same across the board. Which will eventually eliminate the wholesale market all together. Maybe that is what the government wants, but I do not see how that is a good thing. That will take away a large and important avenue from the consumer. It will lead to just the big boys on retail for consumers to use. I do not think that is what America is about. The wholesale market provides an important service to consumers. I can admit that there were some bad apples on our wholesale side but that does not mean we should erase it all together. Let me explain why that will eliminate wholesale market. Most of us left who do the right thing and have always do not charge large up front fees. We make a little on the rate and still offer a very competitive and most of the time better rate than retail. That is how I operate. That is how I have been in business for as long as I have and still here with these trying times. If all of a sudden the only money I can make is an up front fee then my income will go down to a very small amount. In these times people are very aware of fees and strive not to pay any. Which I agree. And for those who say, "well the broker makes thousands of dollars so what is big deal if they make a small amount," I say who is making thousands of dollars. The yield spread I make per file now on average .5% -1.5% and I still have rates better than retail banks. With the loan amounts down huge the money made is a lot less. And I work hard for every penny. Through the whole purchase and refi process we are responsible for putting everything together with lender, title, appraiser, realtors, sellers, and buyers. Bottom line if yield spread is removed then wholesale goes away and that is not what this country is about. It will not help the consumer and it will take hundred of thousands of jobs away. If government thinks our industry needs so much regulation (which it does) why don't they make a requirement that to be a mortgage broker you need a bachelor's degree instead of just taking a weekend course and then coloring in between lines on some joke of a test. I heard last year someone got their pet monkey a mortgage broker license. Thank you!