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Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages  
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The elimination of yield spread is an unfair proposal to the small business people in the mortgage industry and the consumers. It will result in a consolidation of the industry which will limit competition. Mortgage brokers in the state of Georgia have always disclosed yield spread on the settlement statement. We have consistently been able to provide a lower cost mortgage to the consumers than the banks. We have consistently provided better service to the consumer than the banks. Mortgage brokers represent est. 45% of the originated loans in the United States. To eliminate this sector of the business is not in the best interest of the consumer. When has less competition ever been better for this country? The consumer has a right to shop for the best rate they can get, just like when they shop for a car or car financing. Some consumers choose to pay more because they prefer to get better service. Tens of thousands small business people that employ 100's of thousand employees and families will be unemployed if this rule is passed. You will be giving all the control to the banks in this country. Was it not the banks and wallstreet that created all these exotic programs that caused this problem. I understand that everyone wants to blame the brokers for this mortgage crisis. How can a mortgage broker that has no money to lend, does not underwrite the file, and does not service the loan be responsible for the mortgage crisis? We all know that crisis was created by Wallstreet and the large banks that created these exotic programs and hired account executives to solicit these type of loans from the mortgage broker. When the mortgage broker questioned the banks if the programs performed they said of course they do, that is why we are offering them. The banks then come to the government and need a bailout, as does wallstreet. They tell you it is these bad mortgage brokers that created this mess. The mortgage brokers DID NOT create the products, DID NOT underwrite the files, DID NOT make a decision if a loan gets approved, DID NOT make the guidelines, DID NOT fund the deals, DID NOT create the derivative to insure the

loans, DID NOT create the guidelines for Fannie or Freddie or FHA, DID NOT make billions of dollars when they securitized the loans, DID NOT pay there CEO tens of millions of dollars. Yet, we are taking all the BLAME. Does anyone in Washington truly understand the problem?