

From: American California Financial Services, Inc., Al Hermann
Subject: Reg Z - Truth in Lending

Comments:

This is totally a bill to put originators out of work except if you work for a Bank. I worked for a Bank for almost 7 years and it is appalling what they do to their customers when it comes to costs. It is just that they DO NOT have to disclose anything in regards to what they pay their Originators. IF YOU CALL 6 OFFICES OF BANK OF AMERICA YOU WILL GET 6 DIFFERENT QUOTES! For years direct lenders like Washington Mutual pushed on their customer's higher margins so that their loan agents would make more money and no one ever cared about this because they never had to DISCLOSE what their agents made. Washington Mutual also made it a point to their agents not to use the 11th district cost of funds as an index by CUTTING their commissions if they used this Better Index. They did not do that to brokers so the consumer won again using a broker. Ever friend I have that works for a Direct Lender has a commission based on incentives like a rate adjustment or margin adjustment. WHY DON'T YOU DO SOMETHING ABOUT THAT?

I have been disclosing everything to my customers since 1981 and have never had an issue because I and my firm are held to a much higher standard already over what the Bank's have to disclose even TODAY!

I have staff and overhead much like a bank and YOU are NOT telling THEM HOW MUCH TO MAKE ON EACH LOAN!

Just another way to kill the real estate market.

Al Hermann
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