

From: Excalibur Funding, Alette Prichett  
Subject: Reg Z - Truth in Lending

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Comments:

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Name: Alette Prichett  
Affiliation: Excalibur Funding  
Category of Affiliation: Commercial  
Address:  
City:  
State:  
Country: UNITED STATES  
Zip:  
PostalCode:

Comments:

Dear Mr. Bernanke; When you make your proposals about taking away Yield Spread Premiums do you understand and is it your intent to take away mortgage brokers professions permanently? Is it your intent to have the three top banks be the only source of mortgage loans? We've seen what happens when competition is limited and exactly what the Banks will do when they have a complete monopoly over mortgages. They will make extreme profits and only lend to the cream of the crop. The entire housing market will suffer and that will branch out to the rest of our economy. When the few borrowers that can now qualify for a loan have to pay points in addition to larger down payments and closing costs they will simply go to banks that will be able to offer no cost loans. It creates an unfair lending atmosphere for mortgage brokers. There is not way we can compete at that point. The Pay Option and Subprime loans that previously paid huge yield spread premiums to unscrupulous and unlicensed originators are gone now. How long are the people who didn't do those loans going to be punished? As a result of the programs that Wall Street came up with that were at the root of these mortgage problems my income has been cut by 50-75% over the last four years. I never did a Pay Option loan or a Stated Income loan because it was my feeling that someone did need to qualify for a loan despite wholesalers frequently urging me to just "make up" the income figures. There are some of us with scruples that didn't want people in houses and loans they didn't qualify for. And how are we rewarded?!?!? Now we can't be trusted to even order an appraisal despite the fact that it was a complaint by an AMC against WAMU that started this all. And now mortgage brokers have to pay for that while banks still get to own their own appraisal company. HVCC has hurt the real estate industry even further and made mortgage brokers even be less able to compete with banks. The new RESPA changes make real estate transactions more difficult and more lengthy to close a transaction. Through all this regulation now I get to do three times the work I did previously for about half the pay I used to get due to the fall in real estate prices. Now a mortgage broker has so few products to deal with if you cant do FHA loans that we're on the edge of extinction as it is. Now you want to put the final nail in the coffin to take away yield spread premiums so we can't offer no point loans? Mortgage brokers are not totally to blame for the state of our economy. It's not fair we be singled out to be punished to this degree. I have been a mortgage broker for 25 years now and besides have my income cut in half the last four years now I have to deal with the repercussions of trying to legislate all the mistakes of the crooks that have done this? You are strangling the business to the extent that it will never get strong again. When will you be satisfied that revenge has been wrought? When there isn't a single mortgage broker left? Will you feel justified when the banks having a monopoloy again will be able to charge 10% for interest rates on mortgages unchallenged? You don't seem to have any influence over the banks in terms of getting them to make

reasonable loan modifications in order to lessen the effect of the loans that are going to foreclosure. What makes you think you'll be able to deal with them when they totally are in charge of the mortgage market and make all the rules? Something is very, very wrong here. Mortgage brokers that did things legally, had integrity and morals should not have their professions taken away by the crooks that created this whole mess. We have been punished enough already. How would you feel if your lifelong profession was destroyed by excessive government regulation as a result of what a select few in your profession had done criminally? How about go after the people that did this and hold them accountable instead of punishing the rest of us? And by the way, despite your stating that this will "help" the consumer...every single new regulation that has come out not only creates more costs for the consumer, confuses them more but it is further hurting our real estate industry which in the long run will result in even more foreclosures and lower real estate values for everyone. Why is it that no one can see this in government? Are you all really that blind or have the banks just bought and paid for all of you? I was so excited when Obama was elected that maybe finally not only would the mess be cleaned up but that finally mortgage brokers would get equal treatment for banks because our jobs mattered also. I can't tell you disappointed I am that banks are still being treated as the only ones that count. Please do not pass this regulation. Sincerely, Alette Prichett