

From: Partners Mortgage, Drew Beveridge  
Subject: Reg Z - Truth in Lending

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Comments:

Federal Reserve:

I appreciate the desire for honesty, ethics and full disclosure completely.

I've been a mortgage broker for 23 years and at the same company for the last 16 years. We like to believe we treat the customer fairly, give them a good price and serve them well when we provide them good advice on loan products so they can make a wise decision. At least this is what our customers say.

I don't have a problem disclosing our profits on 3 to 4 separate forms on every loan I do. This I do face to face talking openly about our profits with customers. Why? Because it builds a better relationship with them. They trust me more and value what I'm doing. They appreciate great advice about loans helping them to separate a great loan for them versus a bad loan product.

I just wish the banking industry had to play on the same playing field. They don't have to disclose profits at all to clients. Why? We ask that question all the time. They do the same types of loans for clients. They sell the same Fannie Mae products. They process the loans the same way. But for some reason the banks like Wells Fargo, Bank of America, Chase, etc...don't have to disclose any profit they earn on a loan file. Is it because of their lobby that they get to circumvent disclosure laws?

If you want my opinion of 23 years in this business, more time should be focused on the banks having to disclose their profits even once! We already disclose our profits 3 to 4 times. Can't the powers at be require the banks to disclose profits just once? What is wrong with this system?

The new disclosure regulations we are having to abide by have cleaned out our business of a lot of unethical brokers, and that is good. I'm glad. Just because there are some unethical mortgage brokers doesn't mean all are bad. That happens everywhere in life. Every family has problem kids at times. Every company has bad employees at times. Every profession...even the highly esteemed ones like medical and law...have bad, unethical practitioners in their midst. And it's not uncommon to read about some politician performing unethical acts as well.

There are good mortgage professionals that do it the right way and take care of the clients. If you say they can't make a fair profit, the good ones will just leave the business and then what do you have left? A bunch of poor professionals giving poor advice and service, and the customer ends up getting the raw deal again.

It's pretty simple in my book. Two things:

1. Make the banks abide by the same disclosure rules that mortgage brokers already abide by and have been for 20 plus years.
2. Let the good mortgage professionals keep on serving clients well. If they fully disclose what they are making what is the concern?

Thank you for your time.

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