

From: Nick Gallicchio
Subject: Reg Z - Truth in Lending

Comments:

To Whom It May Concern:

When it comes to a purchase and or a refinance, no one works harder than a mortgage broker\banker. We earn every penny that we get. And if you would start testing for this industry, you would weed out all of the unqualified and usually semi-criminals out of the business.

Realtors are able to get up to 6% (That is what they get if not 5%)..for what having a homeowner that has made a good buy years ago and their equity has grown take 5%-6% of their hard earned investment for doing what? No one ever harasses them about their compensation, and I tell you from experience the majority of them are just "yes" men knowing that if they get someone to commit to them. It is only a matter of time before they are paid 10's of thousands of dollars for a couple of phone calls and a couple of hours of driving around. When the only way that this goes through is if I deal with the customer, the realtor, the attorney, the title company, the appraiser and or now the appraisal management company. Let's not forget about the actual lender and or investor. Processor, underwriter, account manager, account executive, the closing department, the funding department, the closing agent etc. etc. Now let's go over the HVCC regulation. I understand why this happened, but this does not help the customer because of the simple fact of if that lender that the appraisal was done for declines the loan because of their specific guidelines after the customer has paid for the appraisal, and we have done all the work to get laundry list of conditions appeased for the underwriter. That appraisal is unacceptable for 99% if not more of any other lender out there. So now the customer or myself has to shell out money for another appraisal so the customer can save a few dollars a month. Do you see that what you mandate from up above is used and abused to not give good a customer a loan. Further more all you are doing is pushing the industry so only the large banks can beef up their retail divisions, and I promise you consumers will have no way of getting the best deal they qualify for, when this becomes basically a monopoly. Guess what the reason that there are all these problems with appraisals and application fees stems from the Wells Fargo, and the Countrywide (BOA) retail shops. That would make it mandatory to have a customer pay for appraisals and or process fees upfront on a loan that they would never get. You are pushing the good brokers out and enabling the big banks that took advantage of customers with the kick backs from appraisal companies e.g. Countrywide\Landsafe.

Next a good mortgage Broker works on 25-40 applicants a month, and by today's standards and the ever changing investor private guide lines you would be lucky if 5 loans actually go through. Whether that is from the stress a good customer goes through to get a better payment, and or investors having totally different views on what they will take and not take. So you want the consumer to pay for all of this service on an hourly basis for loans they will not get. I can deal with the fact that I work basically pro-bono up until a loan actually funds. I can deal with that, but to limit compensation or to make it hourly wage, will do nothing good for home owners or guess what a career Mortgage banker that is trying to provide for his or her family.

I don't know what others do but, we clearly disclose that we can be paid from

the lender a compensation for the rate given. This is a good thing; it lessens what the customer has to be charged up front, and in most cases now has to be because the customer has no equity to put a loan amount higher to cover costs. If your office(s) could start to understand that we are not the problem and believe that we are honest hard working knowledgeable representatives in this industry, it would be nice.

I myself have a wife, two daughters and a son on the way in a house that is too small and I have lost equity in it since I bought it in 2006. Since that time I have worked three times as hard, and I have barley been able to keep my family in a moderate mid-class lifestyle. I deal with millions of dollars of home owners' property and in turn their responsibilities. I deserve every dollar I make, and I do not want any more compensation, in fact from 2004 to now I do not charge any where as much per loan as we all once did with out batting an eyelash. I just want you to not impede me helping the consumers out there, but get these investors to lend to people that pay their bills, Give cash out for debt consolidation so the home owner can save 10's of thousands dollars per year, and save for the child's education for example.

In conclusion wake up, get yourself a brain trust of mortgage professionals that actually deal with the public, and let's fix this problem. You need to know what we go through on a monthly basis just to get someone a loan before you decide what we deserve to get paid. You should have qualifications to do finances for a mortgage, and guess what? Any useless member of society can walk into a mortgage company, pay for a solicitor's license and call himself a mortgage originator. I know there is testing being put in place but not soon enough. Lastly tell me why a customer who has a 800 fico and has always paid his bills and mortgage on time trying to refinance his rate lower saving \$300 a month on a \$2,000 mortgage payment get denied because he is a teacher that is paid 10 months a year instead of 12 months a year get denied this great benefit on a loan he can obviously afford, because the lender has its own way of calculating his income because he is not paid during the summer. This is one example of what I have to deal with, and now he has to pay for a new appraisal (Most likely) since the lender will not give this well qualified borrower a loan. Please I compel your administration to understand what is going on before you pass judgment.

Sincerely,

Nick Gallicchio