

From: Diversified Capital Funding, Dick Henry
Subject: Reg Z - Truth in Lending

Comments:

Dear Board of Governors of the Federal Reserve:

I implore you to carefully consider the specious arguments that eliminate or greatly reduce mortgage broker compensation. Many industries in our country function very efficiently on a fee for services basis. real estate brokers, insurance brokers, computer and equipment sale people, etc., etc. A prerequisite for working on a commission basis is to provide services that that sort through the maze of complex options and to offer choices that solve the client's needs. Mortgage agents are not "lender specific" and as such, source a vast array of lenders and programs to find the one that is most competitive and that offers terms and conditions acceptable to the client. I have been in the real estate industry for 40 years and as a mortgage broker for the last 10 years. The vast majority of the mortgage industry is professional, ethical and provide valuable services for their clients. It is my hope that this legislation is not being proposed because of the few bad apples as no industry is without them.

The massive and complex home financing market exists to a large extent because of the valuable services provided by the mortgage industry. A flat fee or hourly fee is an impossible restriction. Should a loan originator be compensated that same for a \$1 million dollar loan as for a \$100,000 loan? The best and brightest in the industry would be forced to seek employment elsewhere. My colleagues and associates bring comfort and value to clients who are entering into a journey that is probably the most important in their life.

This legislation would not only be detrimental to the housing market but would only help large banks. I respectfully recommend rejecting the proposed legislation. Thank you for your consideration.

Sincerely,

Dick Henry
Diversified Capital Funding