

From: PrimeLending, Billy J Hawkins, Jr.
Subject: Reg Z - Truth in Lending

Comments:

Date: Dec 23, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
Document ID: R-1366
Document Version: 1
Release Date: 07/23/2009
Name: Billy J Hawkins, Jr.
Affiliation:
Category of Affiliation: Other
Address:

City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

December 23, 2009 Jennifer Johnson Secretary Board of Governors, Federal Reserve System 20th Street and Constitution Avenue, NW Washington, DC 20511 Re: Proposed Changes to Closed-End Mortgage Rules (Docket No. R-13660 Dear Sir or Madam: 2010 will be the coming of my tenth year in this business. As a loan originator many changes have happened in this short time and this business is truly changing dramatically each year to help the consumer and protect the investors. I do however have a grave concern with the proposals regarding loan originator compensation. The proposed rule amending Regulation Z and limiting loan originator compensation with respect to closed-end mortgages will surely create a huge exodus of highly trained professionals in our mortgage industry. This void will be filled of course, with cookie cutter lending which provides absolutely no client service or finance education to the buyers due to the "one size" fits all attitudes the big banks will create. Without trained and knowledgeable loan originators, this unintentional impact would cause further tightening of available credit, guidance to clients in becoming financially prepared for successful home ownership would be nil and there would be a significant reduction in home sales with the lack of missing loan originators to complete the transactions. The current SAFE Act requirements of extensive background checks, continuous education and testing should be given a chance to work before adding the burdensome regulation of loan officer reduction in compensation. This proposed rule may create more unseen obstacles without stopping to consider the negative impact it could bring with its passage. Respectfully, Jim Hawkins Sr. Primelending,