

From: Alligator Mortgage Company, Richard Tillett
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Comments:

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I understand that there is a proposal to eliminate Yield Spread Payments (YSP). I am sure by now you have read many letters with all of the reasons why you should leave YSP alone. I just want to add that as a mortgage broker we have to disclose to the consumer exactly how much the wholesale lender pays us. Do you know how much your (auto, home, life) insurance agent earns when he writes your policy? It doesn't matter, does it? You shop for the best policy with the best coverage. The ability to receive YSP does not hinder the consumer from shopping around for the best interest rate and lowest total closing costs. We Mortgage Brokers are already being squeezed by some of the large wholesale lenders that have retail operations as they restrict some of their products to their retail operations only. If we are squeezed out of business then less competition would surely increase costs to the consumer. Our country was built on supply & demand and free enterprise. Please don't restrict that. --Richard Tillett