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Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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Although this may seem like a good idea in theory, it is not what is good for the industry. Daily changes in interest rates and how mortgage backed securities are traded will make these agreements difficult to hold to doctrine. The system in place now is not broken. Yield Spread is not being used to entice "Brokers" to charge higher rates and fees. Granted there are bad apples in the industry, albeit minimal this day in age, but not all "Loan Originators" are the cause of economic crisis. Mortgage Brokers aka Loan Originators are individually licensed, have FBI back ground checks performed, and regulated by the states they do business. All the while Federal Savings Banks, Credit Unions, and other Mortgage Banks are not requiring individual licensing and/or background checks, and are compensated exactly the same as an originator. SRP or Service Release Premium is exactly the same as Yield Spread Premium. Why is the "Mortgage Broker" Industry under attack and not the entire field, including Banks and Credit Unions. Service Release Premium is no different than Yield Spread Premium.