

From: Wintrust Mortgage Company, James E Pope
Subject: Reg Z - Truth in Lending

Comments:

Date: Dec 21, 2009

Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
Document ID: R-1366
Document Version: 1
Release Date: 07/23/2009
Name: James E Pope
Affiliation: Wintrust Mortgage Company
Category of Affiliation: Commercial
Address:

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

Comments:

I have had the unique experience of working for both a Large Bank Mortgage Lender - Wells Fargo and a Small Bank Mortgage Lender - Wintrust Mortgage. I have been in the mortgage lending business for close to 20 years with over \$1,200,000,000 in fundings myself. I have always treated my clients extremely fair since Madison Wisconsin is a very well educated market of mortgage shoppers. If I were to charge excessive rates or higher fees, my clients would go elsewhere. The opinions expressed by the Administration and policy makers that borrowers do not shop for mortgages is far reaching. The exception is when the individual lender has proven time and time again that the client was historically serviced fairly. The pending proposals will limit the number of lenders because of the higher costs associated with the delivery of products. If the new system limits the number of providers, supply and demand principles with take priority and the clients will actually pay more for the same mortgage. I am sure of this based on the fact that the Big Boys (BoA, Wells, Citi) are actually supportive of this legislation. These moves will effectively take their competition away and they will be free to charge whatever they like in certain markets when they are limited mortgage lenders. After working at Wells Fargo it was obvious that the delivery of the product was substandard compared to the "small guys" - in fact, many transactions never happened because of their arrogance. After leaving Wells Fargo and going to a Small Bank - we were able to put together quality loan packages that did fund. As a by product, these funded sales produced more sales since the seller was able to sell their home and buy a more expensive home - helping this very frail economy. Please be very careful when drafting new guidelines that could restrict competition. Further, if the end result is less qualified lenders - this will impact the quality of the loan package and home sales will suffer. Please know that in the Madison Wisconsin Market - the leaders in mortgage lending are the most qualified lenders. I know for a fact that these lenders

do not overcharge their clients and help the real estate market significant by having knowledgeable lenders handling the transactions. Please be careful in drafting new policies that hurt the experienced individual lenders. It would be akin to paying MD's a salary - and not rewarding the very best doctors for taking better care of their patients. By changing the compensation plan of the very best - you may inadvertantly hurt the very tender real estate market by taking away the most qualified surgeons.