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Comments:

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I have owned my own mortgage company for almost ten years, and during that time we have always educated our customers on how loan pricing works. We have always given the customer the Mortgage Loan Origination Agreement and explained how we get paid. The customer is given the option of having a lower rate with higher fees or a higher rate with lower fees. This system works best because the borrower can decide based on their individual situation which option works best for them. They can also compare our offered rate and fees to other mortgage brokers and banks to ensure they are getting a good deal. The elimination of YSP will remove this advantage for the consumer as it will make it more difficult for mortgage brokers and banks to compete (competition always lowers cost) for the borrowers business.