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Subject: Regulation Z

Ladies and Gentlemen:

I have been licensed in the business in Florida since 2005.

I am probably not an expert opinion. However, I have followed finance, economics and the general business climate of the US since my college days more than 25 years ago.

It is my opinion that from an economic historical perspective, it is the presence of independent mortgage brokers that has helped to grow the home ownership opportunities in this county. Primarily because of the effort required to seek out and engage business. It was obviously helped by the Banking industry relaxing credit requirements and offering loan products that are more suited to the less affluent.

Looking at the mortgage crisis and resulting real estate market shrinkage, I would opine that this mortgage crisis is no more the fault of independent brokers than real estate crisis is the fault of independent real estate agents.

Zealous competition is general good for the economy and especially those who would be customers. However, it is that same zeal that resulted in offering over-compensated products such as the majority of products offered in sub-prime loan categories. These were not the result of independent brokers, but the result of Banks attempting to compete.

What has failed is appropriate education of the consumer. In Florida, a car loan can be designated a high risk loan based on the credit record and score of an applicant. In order to receive the loan and the car, the applicant agrees that as a high risk loan, any measure may be taken to recover the security interest (the car) including the destruction of private property. Many are not aware of the ramification of what they agree to when signing for the car, all they want is the car. Often in today's economic climate, the worst happens and the car must be repossessed. Property is destroyed in the middle of the night, trespassing and police intervention occur nightly. With all this, no one is suggesting that the auto finance industry needs to eliminate independent car dealers and small auto finance companies. This industry is not considered in crisis, yet repossessions are on the rise while cars continue to be sold to "high-risk" car buyers. The housing industry and mortgage industry are considered to be in crisis and I am at a loss to know why someone suggest removing the independent broker will lead to a solution. I suggest that it will not!

In both industries, what is an imperative in my opinion is better education of the consumer. Consumers need to know and understand the full financial ramifications of the mortgage agreement and disclosures.

The general public needs a greater appreciation of financial agreements in general and the industry should be responsible (or made to be responsible) for advancing that education. This education will not happen by shrinking the competitive field to only the biggest and baddest on the block. What will happen? The products available to both high risk and less affluent (who are not necessarily the same) will be fewer to non-existent. This will ensure that only the biggest banks continue in the mortgage business and many of the smaller national and most regional banks will be eliminated from the business. This can not be interpreted to be good for the business.

PLEASE REFORM THE INDUSTRY BUT LEAVE THE INDEPENDENT BROKER AS AN INTEGRAL PART OF THE MORTGAGE BANKING INDUSTRY.

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