



SPRINGFIELD MORTGAGE COMPANY

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June 18, 2002

Regulation Comments
Chief Counsels Office
Office of Thrift Supervision
1700 G Street, NW
Washington, D.C. 20552
Attn: Docket No. 2002-17

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Re: Proposed Revisions to Parity Act Regulations

Gentlemen:

The Illinois Association of Mortgage Brokers (the "IAMB") is an Illinois trade association representing Illinois residential mortgage origination companies, mortgage lenders and their industry vendors. Member companies of the IAMB number 730 and it is estimated that such companies employ over 6,000 people in the State of Illinois.

The IAMB since its inception has been consistent in endeavoring to have all residential mortgage lenders or originators treated equally under rules that govern residential mortgage loan origination. Our membership welcomes federal rules that apply to all such entities such as the Real Estate Settlement and Procedures Act ("RESPA") and the Truth in Lending Act ("TILA"). Our intention is to seek a "level playing field" under which all mortgage origination companies/ lenders are governed by and follow the same set of clearly defined rules.

There seems to be a strong misconception that companies that engage in so called "predatory practices" are hiding behind the Parity Act exemption to be able to charge prepayment penalties. The majority of the companies that are charging the prepayment penalties are federally chartered companies that would be exempt from the changes you propose. If your purpose is to protect consumers, then make the change for all origination companies, so that prepayment penalties are either allowed for everyone or not at all. As the government continues to make changes affecting only a portion of the industry the consumer becomes even more confused.

As we have seen in Illinois, consumers are being hurt because rules and regulations were put into place that affect only a portion of the industry. If your proposed changes go into affect you are passing rules that are targeted at mortgage brokers who cannot approve loans nor do they charge prepayment penalties, the lenders do, which are predominately federally chartered companies that are exempt from any state statute and especially the Parity Act. So what is going to be accomplished by making these changes.

In the event that you have any questions in regard to this letter, please do not hesitate to contact me at 309-764-1877.

Very truly yours,

Lana Gray

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