

Comments for the DFI regarding latest rule making proposal.

1. WAC 208-660-155 Mortgage brokers – General (10)

The implementation of TRID has reduced the role of a mortgage broker in the disclosure process. Many Lenders prepare and issue the Loan Estimate directly to the borrower and they electronically acknowledge receipt of these disclosures.

Federal regulations do not mandate a signature of receipt on the LE. The lender currently determines within their own disclosures if they have a signature line on the LE or not. The broker has no say in the way the wholesale lender discloses. Federal regulations require the disclosures to be delivered, this is accomplished electronically or through the mail and again signature of receipt is not mandated.

When the lender electronically sends the entire disclosure package to a borrower, my signature is not on that package and the borrower opens goes through the electronic disclosure it is complete. Requiring the broker signature on a proprietary loan disclosure package after the fact on documents I did not produce is too much of a burden and will cause another point of failure and increased delay and confusion. This rule is also not consistent with the vision of the CFPB to move toward complete electronic disclosures.

Requested Solution:

The broker has been substantially removed from the process with the implementation of TRID. The signature requirement called for in this rule should be removed and made congruent with Trid and current federal rule.

2. WAC 208-660-300 Loan originators – General (13)

W-2 Loan Processors are not currently required to be licensed. Unlicensed w-2 LP's are currently under the direct supervision of the Mortgage Broker or Designated Broker. The loan officer by definition is not a manager and has much less liability/responsibility in any given transaction than the MB/DB. Do not allow unlicensed processors to work directly under control and direction of a loan officer that has little stake in the entities compliance.

Requested Solution: Retain existing language and hierarchy.

3. WAC 208-660-440 Advertising.

The requirement on use of DBA needs to be addressed.

Making any rule change here can be very expensive and confusing for existing MB's, it is already covered by other rules.

Wac 208-660-180 (9) clearly states that the MB may use the DBA along with either the license name or NMLS broker license number.

WAC 208-660-446 clearly indicates where the company's legal name needs to be listed.

Additional requirements will be very costly to the MB's and will create confusion to the client.

Requested Solution: Remove the entire new sub paragraph.

4. Mortgage Broker Commission.

Re Establish the mortgage broker commission.

Communication is key. We appreciate the opportunity to provide feedback to assist in your important role with rule making, including regulatory and enforcement duties.

I read Mr. Lorsch's comments and completely agree. Make it zero to little cost for the department. Name it the "Mortgage Broker Committee" This would keep formal communication lines open from the marketplace and those still operating as a mortgage broker to the Department.

Jeffery Lorsch would be an excellent selection to be the Committee Chair.

Respectfully,

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