



July 15, 2018

By electronic delivery to: [www.regulations.gov](http://www.regulations.gov)

The Honorable J. Michael Mulvaney  
Acting Director  
Bureau of Consumer Financial Protection  
1700 G Street, NW  
Washington DC 20552

**Re: Request for Information Regarding the Bureau's Consumer Complaint and Consumer Inquiry Handling Processes Docket Number CFPB-2018-0014**

Dear Acting Director Mulvaney:

The National Association of Mortgage Brokers (NAMB) appreciates your leadership in exposing the policies and procedures of the Bureau of Consumer Financial Protection (BCFP) to public comment through the Request for Information (RFI) process. This process provides a transparent, and efficient, opportunity for all of those affected by the Bureau's work to help the Bureau identify how it might find less impactful approaches to its consumer protection mandate. We will comment directly to the situations where a consumer files a complaint to the BCFP in the mortgage process.

NAMB is the only national trade association devoted to representing mortgage loan originators and small business owners in the mortgage industry and is celebrating its 45th anniversary. NAMB speaks on behalf of more than 145,000 mortgage professionals in all 50 states and the District of Columbia. Our members are loan originator employees of lenders and independent mortgage broker companies, as well as small business owners, all of whom adhere to a strict code of ethics and best lending practices when assisting consumers through the loan process. Our mortgage broker members typically maintain business relationships with various lenders to provide consumers with multiple financing options. These relationships allow our members to offer consumers the most competitive mortgage products available in the marketplace today.

Question 1(c). Should the Bureau develop a process for companies to reclassify consumers' submissions?

Yes, a process of verification and correction is warranted. Consumers are at a disadvantage in knowing exactly what type of loan originator (LO) with which they are dealing. NAMB suggests the Bureau request the National Multi-state Licensing System (NMLS) identification number that should be on documents or advertisements of the LO. In this way, the BCFP can

determine, not the consumer, the specific individual and what type of LO the consumer is dealing with. For many years, the Bureau incorrectly reported consumers were experiencing more issues with mortgage brokers. When the consumer complaints were examined by NAMB, it was found 90 percent of complaints were registered against lender and bank LO's, not mortgage brokers.

Question 3(d). Should the Bureau publish data about consumer inquiries? If so, what types of data or analyses about consumer inquiries should be shared with the public?

The Bureau should not release to the public any complaint data until it has been verified by the Bureau as to exactly what part of the transaction the consumer is generating the complaint and determine who, if any, had control of that portion of the transaction. Mortgages are extremely complex and involve various parties and outside vendors to verify consumer-provided data. The mortgage process can be slowed or halted for a variety of reasons. Was all the application data the consumer provided accurate?; Was there an issue with Freddie Mac or Fannie Mae's underwriting system?; Was there an issue with the verification of employment?; Was the down payment source accounted for?; Was there an appraisal issue?; The LO should not be labeled for a complaint because issues out of their control stopped the mortgage process.

The consumer does not understand the complexity and outside verification processes going on inside the mortgage process and, therefore, any complaint should not be publicized or placed in a data pool for analysis until it has been verified and each party to the transaction has an opportunity to review and comment as to exactly what was under their control.

NAMB requests the BCFP to examine better approaches to determining true complaints about those in the mortgage process and filtering out those complaints that are out of the control of parties being complained about by the consumer. The Bureau's alternative is to create regulatory approaches in order to achieve the same or better result while protecting business repetitional risk.

Respectfully,



John G. Stevens  
NAMB President