



August 16, 2004

Office of the Secretary
Federal Trade Commission
600 Pennsylvania Avenue, NW
Room H-159 (Annex N)
Washington, DC 20580

Re: FACT Act Scores Study, Matter No. P044804

Dear Sir or Madam:

The National Association of Mortgage Brokers (NAMB) appreciates the opportunity to comment on the study the Federal Trade Commission is about to undertake on the effects of credit scores on the availability and affordability of mortgages. Before providing the FTC with our suggestions, we describe the role played by mortgage brokers in the home loan finance process.

Mortgage Brokerage Industry

Mortgage brokers act as intermediaries between consumers and lenders when the borrower finances the purchase a home or refinances an existing mortgage. A typical broker maintains business relationships with various lenders to provide consumers with numerous financing options. These partnerships allow the 44,000 mortgage broker companies employing over 360,000 employees in the United States to offer consumers the most competitive mortgage products available. Mortgage brokers originate two out of every three residential loans in any given year by advising homebuyers throughout the home financing process and delivering cost effective mortgages to consumers. As the single largest group of loan originators, mortgage brokers undoubtedly have played a significant role in increasing the rate of homeownership in the United States to an all-time high of 69.2 percent.

NAMB is the only national trade association exclusively devoted to representing the mortgage broker industry. As the voice for mortgage brokers, NAMB speaks on behalf of more than 24,000 members in all 50 states and the District of Columbia. NAMB offers educational courses and certification programs to mortgage professionals to enhance and maintain their professional expertise. By adhering to a strict code of ethics and best lending practices, NAMB members guide consumers through the mortgage loan origination process. NAMB's government affairs representation ensures the voice of the mortgage broker industry is heard on Capitol Hill.

