

**From:** "Rhonda Ham" <ham\_r@bellsouth.net> on 03/27/2008 01:30:09 PM

**Subject:** Regulation Z

I am outraged to think that our government who is supposed to be SO concerned about the mortgage industry is willing to consider these ridiculous regulations making it EVEN MORE impossible for people to buy a home. How is the market going to make any turn for the better if the government keeps making it IMPOSSIBLE for consumers to buy a home? Taking away stated loans will prevent consumers who are self employed from being able to buy a home. The lenders already have the requirements for stated loans to where they have to put down 20%, have to verify several months of reserves and have at least a 700 mid score to even qualify now! That should be sufficient evidence that they can support the loan! How many people do you really think even have a 700 mid score?

The economy is in the toilet, people are having a hard time saving money and are certainly scared to spend any savings they do have! SO, how can you make loans even more impossible with considering new APR triggers of 3% & 5% above the 10 yr US Treasury causing nearly every mtg. to be classified as a "higher cost" loan. The mortgage insurance companies have already stopped insuring mortgages over 90% because EVERYTHING now is a declining market! You will NEVER be able to turn the mortgage industry around without giving the consumer better options! I agree that maybe the client should have higher credit scores to qualify and cleaner credit, but asking an originator to verify that the client would have the ability to repay a loan for the next 7 years is ludicrous!!! **Does anyone asking for these changes have any mortgage or origination experience?! How can you even begin to expect an originator to predict the future, when business all across the country are downsizing or closing all of the time?! We DO NOT have crystal balls!**

I have only been doing this for 5 years now and love my job because I can help to me a persons dream come true by purchasing a home. I still love my job even as tough as it is now, but I am SICK with the way the government wants to blame brokers for the market being the way it is and try to make it impossible for us to make a living. I work honestly and ethically and have never charged origination fees to the limit that I am allowed, NO MATTER WHAT THE CREDIT WAS LIKE. The lenders that pushed and allowed such programs as adjustable mortgages, option arms, and so on should have been more under the microscope not the mortgage broker. The lending institutions today, Bank of America, Wachovia, and more still have such programs available. I do not mind disclosing my fees or documenting anything that I do as a broker! I am, however, disgusted that the government is trying to make it impossible for mortgage brokers to make a living, we have bills and mortgages to pay also. Or do you want more people in foreclosure, or more mortgage business to fail increasing the unemployment rate?! What about realtor's fees? No one questions a realtor being able to charge 6 - 7%, which comes out of a consumers equity, which in most cases today the consumer DOES NOT have to spare! Most of the lenders have already capped our fees, so leave our fees (front and back end) ALONE!

I believe part of the solution to the mortgage problems could be solved with the following:

Raise the bar on the credit score to 620 like most lenders have

Make the consumer bring \$500-\$1500 to the closing table regardless of concessions, so they are feeling that connection and responsibility of the purchase.

Make the consumer accountable to pay collections at closing if over 2,500 in the last 12 months (except medical)

The consumer has to show job stability of being in the same field for at least the past 2 years

**BRING BACK** the 100% financing if the consumer can meet these requirements.

OR.....get FHA loans to accept 1% down payments or do 100% financing like VA does

The average person (first time home buyer) does not have 5% to put down on a home, which is sad! The economy says spend money to help the economy, when are people taught to save money?

Regards,

Rhonda Ham

(A very concerned citizen!!!!!!!)