

From: "Michael Gaw" <michaelgaw@gmail.com> on 03/27/2008 03:55:07 PM

Subject: Regulation Z

To whom it may concern:

Docket No. R-1305 - the proposed rule by the Federal Reserve Board specifically targets to discriminate the independent mortgage brokers and aims to eliminate enterprising opportunities for independent mortgage brokers as well as imposing further restriction of qualified borrowers to obtain necessary financing. This must not be allowed to pass for the following reasons:

In a time of restricted lending practices and mounting pressure on the consumers, this rule would eliminate an arbitrarily contrived "higher-cost" loan tied to an APR trigger which would make it impossible for many borrowers to qualify by eliminating "stated" and "no doc" loans regardless of justifiable circumstances.

Mortgage fees disclosed prior to application that cannot change will restrict the independent mortgage broker to be flexible with the changing circumstances of the market or to adapt to the requests of the borrower and his or her financing situation.

The imposition of the originator to determine borrower's ability to repay mortgage for a minimum of 7 years is unreasonable in it that such a process would encumber additional burdens to the current underwriting process of qualification and would further restrict an already tedious process for many borrowers.

In an atmosphere of escalating guidelines, disclosures, and public pressure amidst declining home prices and near market failure in this industry, it is more crucial than ever that borrowers who can qualify into more suitable loans before further declination of their home values be able to obtain the necessary financing. The proposed rules of Docket No. R-1305 would only serve to undermine the purpose, encumber the process, and place unnecessary burden on both the borrowers and their independent mortgage brokers, whose fiduciary duties will become hindered by the proposed changes.

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Sincerely,

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