From: "Chuck Kabis" <chuck@firststatemortgage.com> on 03/27/2008 04:20:06 PM

Subject: Regulation Z

I have been an executive in the Mortgage industry for 33 years and can tell you in my opinion, the current proposal is a knee jerk reaction, not well thought out, and especially not feasible in that a Mortgage Broker cannot possibly determine exact YSP/front end fees without a completed application , market pricing analysis and a loan lock in. Brokers do not have underwriting approval authority, the Lender does. The current GFE and TIL require estimated disclosures of what the proposal is requesting, and past attempts at proposals like this have proven to confuse borrowers not help them, causing them to end up with more costly loans than they should . In addition, what is suggested to constitute the "high price" loan will eliminate anyone from obtaining a mortgage that is based on the index stated in the proposal.

Further, although the proposal is in fact biased against Mortgage Brokers as no other Lenders are subject to the proposed changes, the fact is, no Broker or Lender should have to function under any of the changes this proposal suggests.

If this proposal is accepted, you will put Mortgage Brokers out of business, Lenders, who count on wholesale broker business will also be forced to eliminate that portion of their business and thus result in thousands of tax paying working people to collect unemployment.
If the American Dream of Home Ownership is no longer the goal…this proposal if passed will definitely accomplish what ever the new goal is.
Home ownership is still the best way for the average American to build a nest egg and solidify their future..Mortgage Brokers help them get there.
Respectfully submitted,
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CHUCK KABIS, MRA
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Recommended 33 Years...
Your Best Banking and Mortgage Resource!
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