

From: "Victor Domines" <vdomines@ebayside.net> on 03/28/2008 08:20:03 PM

Subject: Regulation Z

To The Honorable Board of Governors of the Federal Reserve Bank,

I have read the proposed rule amending Regulation Z and while I commend you for your thoughtfulness regarding consumer protection, I am astonished by the unfair onerous restrictions put on the mortgage broker community. Most of the American citizenry that you serve are simple practical people that deal with real practical issues not theoretical issues, so I'll put this on the level of say, Will Rogers; what you are asking mortgage brokers to do would be like asking the following industries to replicate:

Restaurants: pick a locked in.....no change meal price before selecting the meal!!!!

Automobile: pick a locked in price on a new purchase before finalizing options etc!!!!

Housing: pick a locked in price on a new purchase completely negating the opportunity to change up-grades!!!!

I hope that you are getting the drift; as sophomoric and insane as the above examples are that is what you are asking the mortgage brokerage community to do. And once again, the innocent consumer and broker are being penalized.

I am sure that you are all aware that there are enough rules and regulations on the books already; is enforcement of the existing really asking too much? Are you aware that HUD and the FTC, which is the government's principal protection agency, have both already performed exhaustive studies of mortgage disclosures and determined that additional disclosures of mortgage broker compensation created confusion, caused consumers to choose more expensive loans, led to a bias against broker transactions, and impeded competition, thereby really hurting those you are blindly trying to protect. If I sound sarcastic, please forgive me, but I am just tired of all the governmental harassment. I have been in the credit industry since 1964 and have owned this corporation since 1982; we have served thousands of clients and we always make sure that all clients are completely satisfied, so that they will return and use our services again. In all the Associations that I belong to, that is the same caliber of mortgage people that I meet; I am sure that the vast majority of mortgage brokers are in that category. I am sure that you must be aware that well over 50% of all mortgage originations emanate from and through the mortgage broker community. The general public does not like to deal with monstrous institutions.....they do not like voice mails, they want not only high tech but high touch service, that large banks do not offer. Now as you merge more banks, i.e. Bank of America with Countrywide; Chase with Bear Stearns; and probably next Washington Mutual with Wells Fargo, more people will want to deal with the smaller independent neighborhood broker and/or mortgage company.

Now what really grabs the innocent broker community is, the idea, based on your overreactions, that the Regulatory Agencies (not restricted to FRB) assign the blame of the subprime meltdown to the broker community. Let's go Will Rogers again, do you think that the mortgage brokers made up the menu of loans for the lenders; or do you think that the lenders and Wall Street made up the menu? Sounds crazy, doesn't it? The

mortgage broker community was given the programs by the lenders and instructed to sell those products; they were then underwritten and approved by the lenders PRIOR to funding. Most of the broker affiliations that I have, refused to sell some of the ridiculous liar loans. Don't you think that going after and prosecuting the unscrupulous brokers, lenders, appraisers et al would be a better use of the Regulatory Agencies' time? One final question how do you justify segregating brokers from other lender types visa vie disclosure responsibilities? To a simpleton like me, it appears tantamount to unfair labor practices!

I would hope and pray that common sense will prevail, and that the necessary energy will be directed in the proper areas so that, as a Nation we can get through this turbulent period. Maybe more Misters Smith need to rise up and go to Washington for ONE term and bring some common sense solutions to what ails us.

I thank you one and all for considering my comments. May God continue to bless the United States of America.

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