

**From:** "Tommy Lanier" <tlanier@eam1.com> on 03/31/2008 06:00:07 PM

**Subject:** Regulation Z

To Whom It May Concern:

While the proposed amending of Regulation Z is designed to protect the consumer, I believe it will greatly harm the consumer – specifically the low to moderate income consumer. I believe the proposed new regulation will not only limit but will in many cases make this type of borrower unable to find loan programs to accomplish their goals.

Being in NC, we understand the trigger issue and the new category of lending. It does not work, contrary to some groups that pushed for this law. Since the time the Federal Reserve wrote this proposed rule and our law 1817 went into effect, huge changes have take place in our industry. Did you know that if you have a credit score of 620 that Fannie Mae is going to charge an additional 2.5% to pricing? With this direct hit to pricing in addition to other loan adjusters used by all lenders it will be impossible for the average American to get a decent loan. The average American who wants to buy a home will be charged higher rates and now may not even be able to get a loan.

The rule impedes competition and creates a huge disadvantage for the consumer. You are treating mortgage brokers differently than mortgage bankers and bankers who all receive indirect compensation and know what that compensation is. You are however saying it is okay for the mortgage banker or banking employee to steer the consumer into a higher rate while it is not allowed for the mortgage broker. This is a discriminatory and biased intent to put mortgage brokers and their business entities and affiliates out of business. We use the same lenders as the mortgage banker and the banks - they broker also. We offer significantly lower rates than a bank, yet your rule singles out our industry and show preferential treatment to the other lending bodies.

The rule has been compiled without due study to the issues and without input from mortgage brokers. Other groups were consulted and it is very apparent that the consumer groups – who the by the way are our competitors with their lending arms, have had a huge influence in preparing this document. If this rule goes into effect as written there will be serious, disastrous repercussions throughout our industry.

Sincerely,

Tommy Lanier  
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