

From: "Robbie Ballance" <rob@mortgageauthority.com> on 04/01/2008 11:15:03 AM

Subject: Regulation Z

How can the originator of any mortgage be assured that the borrow has the ability to pay a mortgage for any duration of time? What if the borrower loses their job due to cuts? What if the borrow falls ill and has to wait for the government to review his claim for disability? Why is it that the Federal Government would propose an uneven playing field for Mortgage Originators? Because I work for a Broker, that has always disclosed a range of YSP for 0-3%, which fluctuates during the loan process, as I switch lenders or renegotiate interest rates to protect my client, as well as insure that they get the best deal. I am now required to specify my YSP compensation initially as well as every time it changes? This will ultimately insure that borrowers will get the initial rate locked for them, even if there is something better available. Neither borrowers nor originators have the time to sit down multiple times to change documents. Many originators are too busy to set aside time to complete a new disclosure to have the borrow sign a favorable change. Now who is this hurting? It seems that the majority of the changes the Federal Government are proposing have good intentions, but terrible effects on the consumer that they are designed to protect. The caps placed on the total costs of a mortgage are another very damaging item to the consumer. These caps have made it nearly impossible for a United States Veteran to acquire a mortgage under a second time use of their VA eligibility. Having a 3.30% VA funding fee with the existing restrictions placed on lenders have placed this program out of reach of our Veterans. By the time that you factor in costs for attorneys, appraisals and the like, there is no room for the Mortgage Originator to make a living. This has caused many Originators to steer Vets to other inferior loan products to meet their needs. You can't blame the Originator, when the Government has set our guidelines that make it next to impossible to make a living by utilizing the programs that were put in place to help consumers. Sometimes I wonder if any of the Legislators have any idea of how the Mortgage Industry works, or are you all outside looking in a fogged window, trying to figure out how to adjust the temperature for the occupants inside?

Thank you,

Rob Ballance
Carolina Mortgage Authority, Inc.
919-468-2870 ext 114
919-553-9922 ext 114
919-524-6651 cell
1-800-362-1997
www.ncmortgagesource.com

Your referral is our highest compliment

*Rates that are not locked are subject to change without notice.