

From: "Steve Jones" <Steve@choosecornerstone.com> on 04/01/2008 11:30:03 AM

Subject: Regulation Z

To Whom It May Concern:

Upon reviewing this new Fed. Reserve Rule. I find many things that are unreasonable in this docket. First, stated income is a product that for the right qualified individual is a good loan. Individuals with high credit scores(over 700) and self employed who have a history of paying on time need a loan outlet like the stated loan. Historically these individuals pay on time and help fuel the economy. Secondly,

- ◆ New APR triggers of 3% (1st mortgages) and 5% (subordinate mortgages) above the 10-year U.S. Treasury, causing nearly every mortgage made in America to be classified as a "higher cost" loan. As such, the provisions of the Fed Rule will make financing nearly impossible.
- ◆ A new disclosure for Mortgage Brokers only that will require you to disclose, before application, what your mortgage brokerage fee (front end AND back end fees) will be on the loan and this cannot change.

Both of the above scenarios would harm small business and the customers who this loan is trying to protect. There is no way to know what your fees will be prior to application. Rates change daily, if I quote a rate, prior to application, and the rates get worse or better, what then? How can you disclose fees prior to even knowing your customer.

Please do not allow these to go through as it will harm the exact customers you are trying to protect.

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