

**From:** "RMACIAS" <rmacias@statewidelendingcorp.com> on 04/07/2008 01:45:03 PM

**Subject:** Regulation Z

Thank you for the opportunity to speak on behalf of Statewide Lending, Corp. and its Professional Licensed Mortgage Brokers. I have been in the Mortgage & Finance industry for over 12 years to date. Neither myself, any mortgage broker, employee, or this company itself have ever had a complaint against them about anything, nor shall we ever have one!

All these new rules are simply being created because the Lenders/Banks, & Investors messed up on their very own and now want to point their fingers at mortgage brokers that had nothing to do with it. We can ONLY sell what they have to offer, nothing more. We DID NOT make up the 2/28, 3/27, & Negative-Amortizing Programs at 1%, they did and got burnt by it for being Greedy, that's all. Now, they want everybody to believe it was our fault? How's that? Even with the 100% programs that were being offered to people with credit scores at 580 were mostly paid on time, the problem was not lending to them, stated borrowers or to self employed borrowers. The problem arose when the payment adjustments came up and their monthly went skyrocket. At this time mostly ALL borrowers reached out for help & called their own Lenders so they could be helped and what happened; the Lenders threatened people with ruining their credits and Foreclosures if they did not pay for the monthly payment increases. If at that point they would have helped out just a little bit, the market would not be where it is at, but once again how is this our fault? The Banks/Lenders alone created this Real Estate problem. Honest Mortgage Brokers have always been the best source of overall funding for the Lenders and now all over sudden they are not good enough and must be controlled? This is ridiculous. Most larger homes over 700k are owned by self employed people that now cannot even get a home now on a Stated program with a 790 credit score and 20% down! What is that? They are putting out a lot to lose. How do you plan on stimulating the market, by ONLY lowering rates? That is not going to do it. What do we do now with all the money making self employed borrowers with great credit? They cannot even do a refinance cashout because automatically the Lender thinks their Broke or something, they do not conceive the fact that maybe they actually want to open another business location and expand or build that pool so that their property value can go up. No this is not understandable as it was for the last 30 years. (If Banks/Lenders would just start Lending again, the flow would be back to normal, but now they are all freaked out and say they are in business, but not in the business of lending money). They do not even use common sense to underwriting anymore. We had a 700+ Borrower turned down on a Rate & Term Refinance, 90% LTV, with 24 months of WAMU cancelled checks, & the Borrower bringing to the table over \$17,000 out of his own money just to be able to stop the payment increase on his 2/28 and reduce his rate only. This file was turned down by Countrywide, IndyMac, & CITI to mention a few. Ok it is 90% refinance, but come on, would you give a Bank over 17k of your money to lower your payment over \$600 per month and go into default? No, this is a good borrower that should have closed, but U/W are not sure what to close or not in fear of their job.

Borrowers are ALL different, and Loans MUST be all different for the different job types and credit score borrowers. If this does not get fixed real fast, once again do not expect that by lowering rates you will be stimulating the market because there are too many self employed borrowers that do not have W- 2's that pay good and deserve to have a home of their own. It seems like you are punishing us Mortgage Brokers and Self Employed Borrowers for the Lender's actions.

In closing I hope someone there actually reads this letter and not just add it to a pile of letters, I'd also like to state the fact that the Lenders Underwrote, Closed, Funded, & were the only ones making all the money off the interest off these borrowers, so again, how is all this our fault when it was their sole & final decision whether to close those files or not. A few bad apples did not cause this HUGE problem, but they want you to believe it did.

\*\*\* IF IT IS SO IMPORTANT FOR US MORTGAGE BROKERS TO DISCLOSE OUR COMMISSIONS THEN IT IS ONLY FAIR THAT AUTO & BOAT DEALERSHIPS, INSURANCE AGENTS, DEPARTMENTS STORES, AND ALL SALES PEOPLE THAT WORK OFF COMMISSIONS SHOULD

ALSO HAVE TO DISCLOSE THEIR EXACT AMOUNTS, THAT IS WHAT WE WORK HARD FOR AND IF THE CUSTOMER LEFT EXTREMELY HAPPY, THEN WHY DO WE HAVE TO DISCLOSE SO MUCH AND OTHER LINES OF WORK DO NOT HAVE TO DISCLOSE?" AND THIS IS EQUALITY FOR ALL?

Please HELP us continue to do what we love most and to once again make people smile & Give them happiness as they purchase their 1st home, this is the American Dream and is being taken from them. Nobody wants to buy in Florida as the taxes especially in Broward County are RIDICULOUS and the insurance rates are another problem. Help us at least start this wheel back up. Thank you for this opportunity. Have a nice Day!

Sincerely,

**Rafael Macias**

*Operations Manager*

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