

From: "Michael Mendoza" <mmendoza@wwc.com> on 04/02/2008 11:10:02 PM

Subject: Regulation Z

I have been a mortgage broker for 20 years and I do not think the problems we are having now have anything to do with the Reg Z disclosure of compensation. The problem we are now facing has to do with the types of loans that were offered by bankers to the public through retail and wholesale avenues. The short term loans of 2-3 years were never designed for purchases especially the 100% loans that then became variable after a few years. I have made many 97% loans that were on 30 year fixed products that never had a problem with defaults. Making stricter regulations on compensation will not help the mortgage market in the future, what needs to be done is to review the loan products and that they are safe for the consumer.

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"Whatever you can do, or dream you can do, begin it. Boldness has genius, power and magic in it. Begin it now"- **Goethe**