

**From:** "Mike Badstubner" <mbadstubner@cox.net> on 04/03/2008 08:05:04 PM

**Subject:** Regulation Z

The proposed changes to Reg Z are inordinately discriminatory against mortgage brokers. How can we realistically quote fees, etc., that cannot be changed, to borrowers before we take an application and have all the information necessary to adequately evaluate a borrower's loan profile? How can mortgage companies be exempt from this requirement? Borrowers may assume they will be charged less from a mortgage company than from a mortgage broker because of the mortgage company's lack of mandated disclosure.

The proposed written disclosure may be in violation of California law. California mortgage brokers are required to provide a complete written disclosure and to always act in good faith toward borrowers.

The proposed changes are certainly discriminatory toward mortgage brokers and seem to over reach in an effort to rescue borrowers from predatory lenders. Let's not assume mortgage brokers should be the sacrificial lambs in this situation. More careful consideration is called for prior to making such dramatic changes to way mortgage brokers function. I am reminded that public policy developed in a time of crisis is invariably bad policy. More thoughtful deliberation leads to better crafted and more effective public policy.

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