

From: "Grady, Melissa" <mgrady@tibbank.com> on 04/07/2008 11:50:02 AM

Subject: Regulation Z

As a mortgage professional serving a small community for the past 7 years, I am glad for ANY regulation which may be proposed.

It appears that the consumer is being misled in so many instances by many of those in the industry. I personally have seen customers with good credit and qualifying income, being charged upfront points for no apparent reason except to provide income to the mortgage professional. Many individuals who I turned down for a loan because I was not willing to "state" their income, just went down the street and procured a loan. Many of these same individuals are now facing foreclosure.

Consumers need to be aware of the costs associated with getting a mortgage...all costs....not just the ones they can easily see on the good faith estimate. Consumers need to be aware that they can, in most cases get a lower rate if the mortgage broker is willing to cut his/her fees. It should be an option available to all consumers.

Customers should have to qualify for a mortgage using standard income documentation sources. The stated income loans should be eliminated. Too many individuals were allowed to "overstate" their income in recent years and are now unable to pay their mortgage. No doc loans have been around for a long time and traditionally have required a large downpayment, which shows that the customer is willing to make a substantial investment in the property. As long as the larger downpayment is required (35% plus) I see no reason to discontinue these types of loans.

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