

**From:** "Sheila Goulart" <sgoulart@synergyfgi.com> on 04/03/2008 09:20:02 PM

**Subject:** Regulation Z

To whom it may concern:

I have been in financial services for 17 years. I have been a mortgage broker of extreme moral and ethical conduct. I watch out for my clients' best interests even before my own. I have rarely made more than one point (as "standard" as you can get in a negotiable commission situation) on a loan transaction and, in fact, often work for less, even half that, especially on large loans. I have hundreds of loyal clients and none of them are currently in foreclosure or losing their homes. I did not originate ONE 100% negatively amortizing loan. In fact, as should be expected of a responsible lender, I only advise clients in proper situations (seasonal or greatly fluctuating income specifically) to even consider an "option ARM" type loan. In other words, I am a responsible and knowledgeable finance professional. I own a small mortgage brokerage firm and originate mortgage loans.

And, for the first time since the finance mess hit the fan, I am very upset. I am being legislated out of business. The competition among lenders is being threatened. The availability of knowledgeable and experienced lenders is being threatened. Our economy is being threatened and it appears that legislators are allowing it to happen in an effort to "protect" consumers. Well, I am also a consumer and I do not wish to be protected in this way. Our economy depends on free enterprise and we are capitalistic! Ethics in business is what we need to address, not capitalistic intent! Mortgage brokers are not responsible for the fall of the lending system. The lending institutions are. The greedy companies who profited from the continued expansion of the real estate market and the CEO's who make their millions in continuing the mortgage explosion. 2005 and 2006 were NOT big money making years for me as I advised my clients AGAINST taking loans and borrowing or buying as it appeared that big lending money was driving us into DEFINITE economic devastation. Now, all that is being done is the government, in an effort to (too little too late) attempt to protect consumers is passing legislation that helps no one but the big banks. Who is lobbying for and funding the passage of this legislation????

I am reading through pending legislation and thinking of how unevenly this makes the playing field between a broker and a banker in competition for the same loans. The bank has freedom to choose their profit margins on their loans without being required to disclose them to the client. The client and the mortgage broker are now on different pages. The client wants the lowest costs and lowest rate. The lender wants to make money. Banks can go about their business. Brokers must now hand their paycheck to the client and ask what the client believes the lender deserves. How many cheap people do you know? I have a number of loyal clients who know I do a good job but will go to the poor lender who just needs to make his mortgage payment and is willing to work for \$500 for 50 hours worth of work. I can almost guarantee you that I, as a seasoned professional with almost two decades of experience and a college degree, would not even make minimum wage! As a loan officer we get paid more on deals that close because clients already "shop" around and we close only a certain percentage of what we work on.

Do you disclose your salary and how it affects the taxes of the general public each time you ask for a vote from a citizen? Not only do you raise questions regarding being required to disclose income on every transaction but then the pending legislation requires that figure to be quoted in a vacuum? (Without a rate lock and then it can not change? This is absurd from a perspective of understanding how interest rates function). If you were to buy a stock, you order a certain price and it MAY or MAY NOT be available after you request it. Interest rates are the same way. Now you force a broker to only take the same or OFTEN less commission in a changing environment in order to fulfill an order. You place our paychecks directly in the hands of a "shopping" consumer whose primary goal is to pay the least amount possible on their loan. You just gave me a significant pay cut because that same consumer has no interest in paying for the last 15 consumers who shopped me and DID NOT choose to do a loan with me for whatever reason. You make the consumer their own worst enemy. They no longer shop for expertise and knowledge in a loan officer but for the lowest commission? That will not improve the quality of the average loan officer

available to the general public.

I think that discussing ideas with experienced professionals can produce a positive result for the public but please stop passing blind laws that are after the fact.

Even increasing the conforming loan limit 8 months after the crisis did not help the consumer because the bill neglected to include lower interest rate and less restrictive lending guidelines than a typical jumbo loan, therefore helping very few borrowers... I think we intend to do our best but often, after the fact, can not do anything that results in the anticipated outcome.

Please call or email me if I can answer questions or be of assistance.

Best regards,

Sheila Goulart

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