

**From:** "Dana Sorenson" <surfdana@sbcglobal.net> on 04/18/2008 05:19:53 PM

**Subject:** Regulation Z

George W. Bush, Senator John Ensign, Senator Harry Reid, Representative Dean Heller

I have been originating Real Estate loans for more than 35 years. Most of that time I owned my own companies. My originations exceed 1,000,000,000, which makes me an experienced expert in this field.

Should the government bailouts home owners in foreclosure? If they do who pays the tab? When I bought my home in Orange County in 1989 and put up \$60,000 to buy it, later I lost it in a foreclosure. I also lost money in the stock market. I didn't see any government official showing up on my doorstep saying the rest of our society has decided to bail you out and you get your house back. No I lost it and someone else realized a ton of equity. Do you think the government should reimburse any one who has lost money in Real Estate or the stock market over the last 40 years? The government should do that first, then they can bailout the current borrowers losing their houses today that have no cash investment. Now if there's any money left over they can put it in their rainy day fund so they can spend it at the end of this month.

Whose fault is it that our real estate market is in trouble? Well if you ask the regulators it's not the fault of the cooks in the kitchen but the waiters serving the menu. In other words, it's not the fault of the secondary market that created the loan products but the loan brokers fault that showed those products to the public. Had I not shown the customer his choices, I would not have been doing my job. How is it my fault for the selection of choices?

If you want to fix our real estate market, you make it easy for buyers who document their income to buy houses. Give me a program that I can repair the house even if it's over purchase price. These buyers will have cash invested and not walk away even when the market drop's more.

If you make it harder to qualify for loans, regulate the industry to become more confusing than it already is, then were going to have more foreclosure and fewer buyers, which equal deeper discounts.

I heard from our national association of Brokers that we do 70% of the origination business in the nation. I heard yesterday that the Fed's (in an attempt to rectify the mess they have) are going to regulate the waiters. Now how is that going to change what the cooks are putting on the menu?

Who knows how to explain an APR or the form government came up with called truth in lending. Very few can but no one understands it even when you can explain it. So now government is going to regulate brokers again and have buyers sign statements that say they know they are getting a higher interest rate in order for the broker to get paid from the wholesaler.

For the past 10 years, brokers have had to disclose their profit to the public in the GFE and the HUD1. Why don't Banks and wholesalers have to disclose their profit between what they sell the money for and what they deliver it to the public for? Because the banking industry has financially influence congress not to do what is right. How have the regulators

protected the public by not implementing the same rules for banks they do for brokers? Why do the banks get a pass and we get the job of explaining to the public the truth about real estate finance.

Why are the banks exempt from giving the buyers a good faith estimate that reflects how much they need to bring into close escrow? Instead they show them their lender total costs of \$1,450. When the buyer gets to escrow, they tell him he needs \$7,845 to close. This is not the exception but the rule. What have the regulators done to protect the public? What has the MLD done? What does it profit a buyer to have full disclosure from the brokerage industry but not require the same from banks?