From: "Erica Breitsprecher" <jeser@sbcglobal.net> on 01/01/2008 01:10:01 PM

Subject: Regulation Z

Dear Sirs,

I wanted to comment on the Fed's tighter regulations for lending and the move to help borrowers from foreclosures. I have spent the last 20 years in the mortgage business, as an Underwriter for the last 5. I am currently unemployed due to this whole issue and let me say that I saw this coming long before the foreclosures started. The guidelines written by the investors allowing the sale and purchase of the subprime loans were the first problem. Along with the lucrative rebates offered by lenders for closing these loans. I witnessed on more occasions than I can count, the raping of the consumer, not just in the 3% rebate pricing offered to the broker but the additional 3% on the front charged to these borrowers. The brokers and loan officers that I had worked with sometimes did not even know the terms 1003, 1040 or w-9. The only term that they understood was "rebate". These loan officers were fresh off the street, recruited as warm bodies to close deals. I approved loans I knew were bad but was told by my supervisors that if it fit the guidelines I had to approve. Let me add ,I lost allot of sleep over these deals and felt awful about my job. I am furious with those brokers who raped the borrowers and falsified documentation to close the deal and collect their money, with no thought about the welfare of the borrower or the viability of the loans. Is anyone going after those brokers? They are a huge part of the problem and they walked away, pockets lined with cash, laughing all the way to the bank. Meanwhile the borrower who stated they made $6000 mo to qualify for that house they really could not afford, were busy now racking up debt to furnish that half million dollar home. You can't tell me that these borrowers did not know what they were doing? They are required to sign the application and all other loan docs that disclose everything including the income used to qualify (on stated loans) I thought this was still and always will be a "buyer beware" world. You are now going to give these borrowers a break? They are as much to blame as the loan officers in all the defrauding. I am outraged as I sit here after 20 years in the business, unable to find work due to all this defrauding, that I witnessed and was unable to stop or do anything about, to lose my home as well...who is going to help me and the thousands of other mortgage people who are in the same place I am? I did not defraud anyone, I did not get a loan under false pretense, I did not walk away with my pockets lined, yet here I am watching all this go down and the sympathy , help and measures going down to "save" the homeowner is just too much for me to watch. Go after those who profited the most and be clear you are helping the right people. The brokers here need to be looked at. The last 5 years have done in this industry. The California brokers who pushed this product and lined their pockets with fraudulently earned "rebate" should be paying up to help this issue. If you hit them where it hurts maybe they will think twice before hauling in nitwits and scam artists to bring in the loans and take away the carrot so they won't be as tempted to commit fraud. It was just too lucrative for them to keep it on the up & up. The consumers need to educate themselves and read what they are siging as they are legally bound. Am I going to see any relief? No one feels sorry for me or is jumping to my defense. I lost my good paying job, my career and my respect for the industry as a whole. I may even loose my home if I can't find work soon.Nobody standing in line to help me or others like me. I saw it coming, but nobody listens to the pee-ons in the ranks. Well Mr.Federal reserve, listen to someone who witnessed this all first hand. Don't let the "poor" borrower off the hook so easily. They profited by getting cash from fraudulent refi's, getting into homes they KNEW they could not afford and now they are crying "help me I did not know". What a load of &*^(%%$#!. The brokers & LO's walked away or drove off in their new Mercedes into the sunset and left the rest of us holding the bag. Do the right thing , put the blame where it belongs and go after the ones who profited the most. Don't be so quick to help the poor borrower without doing some research. I am sure there are some who were "scammed", however they signed for the $ anyway and signed all the disclosures too! If I whine loud enough will you help me? I am sure you won't.

Thanks for letting me sound off. I am sure it will fall on deaf ears but I feel better getting in out. Good luck with this mess! It's a big one.

Sincerely,

1 pissed off former Underwriter
barely hanging on in Rocklin, Ca
aka
Erica Breitsprecher