

**From:** "Bob Scalia" <Bob@focustarmortgage.com> on 03/25/2008 02:00:03 PM

**Subject:** Regulation Z

The proposed rule unfairly targets mortgage brokers in terms of the required disclosures. This is an unnecessary burden. If it is deemed to be worthwhile it should apply to all lenders and not just brokers.

The triggers and caps proposed are not workable and should be reviewed for practicality.

Are we not fantasizing when we place a burden on originators as to whether a borrower will have the ability to pay for 7 years in the future. I am 73 years old. If I were rejected because an originator worried about my ability to earn income when 80 years of age would this not result in age discrimination? Also—there is something unreal about projecting 7 years in advance that may cause day to day skepticism about the rule that could be counterproductive to the goal of promoting sound lending. Most borrowers could not tell you if they would have their job 7 years from now.

Abolishing no doc and stated income loans is unnecessary although certain states have already done so. What should matter is the criteria by which such loans are evaluated. The market by and large is going to full doc loans and stated programs are scarce. Things have changed to such an extent that this rule is unnecessary.

Please be sensitive to the fact that the market is already causing the changes needed. More government intrusion—no matter how well intentioned—will increase – not diminish the problems. The cooperation of government and private sector can be a speculative thing as in the case of Bear Sterns. One wonders how the employees who owned one third of Bear Sterns felt on the initial offer of a little over \$2 per share and now efforts are being made to raise it to more than \$10 per share. Perhaps seeking bankruptcy protection would have been a better solution—we will never know now. The point is—the feeling is there is too much knee-jerk reaction going on from too many sectors and it is adding to the difficulties. People are losing confidence in the financial system.

Sincerely,

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