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4/3/2008

Comments for The Federal Reserve's Board  
Proposed Rule amending Regulation  
(73 Fed. Reg. 1,672 January 9, 2008)

My comments about the Federal Reserve's Proposed rule identified above are as follows:

I understand some of the objectives of the proposed rule but feel that overall they will be difficult to implement, unrealistic & possibly put me out of business.

We need the ability to revise ~~guides~~ loan programs change or go away, credit and debts can change, loan amounts increase & decrease, & documentation they submit for underwriting is not what they described. This lack of flexibility is simply not realistic. Shouldn't there be a redisclosure requirement instead?

Forecasting ability to repay for 7yrs is a scary & daunting task. Thoughts of discrimination lawsuits immediately come to mind. Do we turn down an 80 yr old man because his life expectancy is less than 7yrs?! Automated underwriting removes any possibility of discrimination. Lenders have implemented reserve requirements in response to previous problems with borrowers overstating their income. Do we need to put underwriting requirements into law?! We've seen these requirements change lately much faster than a law possibly could.

As a mtg. broker, we are regulated by NC and the federal requirements. I see this proposed rule as smothering out brokers vs bankers. Why? We actually

have more governing agencies + requirements in place. There are bad loan officers + dishonest borrowers, BUT it is not limited to the broker community. Of the 2 of us, brokers already disclose yield spread premiums while bankers are not required to disclose service release premiums. They are there + they know how much the bank will make when they sell that loan. Why then are they not held to the same standards?

I work hard to provide a good product, at a great rate w/ the best service available. I feel that I will be losing business with this new rule because the consumer will only perceive that they are getting a better deal.

Please consider the huge negative impact of this rule on my business. I truly love my job and want to be here next year still helping my clients buy a home. I support NCAMP's position on this proposed rule.

Sincerely,  
Magdalene S. Black  
Raleigh, NC.