

**From:** Al Bader <ab@primelendamerica.com> on 04/04/2008 09:20:03 AM

**Subject:** Regulation Z

To whom it may concern

the proposed rules in this docket go too far in restricting options to home buyers. Loan originators would lose another tool in offsetting origination fees that may not be available to the borrower. Current mortgage market contraction and lender guidelines have already made it difficult for all but the most qualified borrowers to obtain real estate financing and even for those prices have gone up. While I agree that there should be nationwide licensing, the APR thresholds are too constrictive, especially for poorer borrowers that wish to purchase a home, most often with a lower loan amount and already saddled with higher APR's due to the relationship of fees to loan amount. There would be little financial incentive for an originator to work any loans below \$100,000. And while qualifying a borrower for their proposed new loan, it is impossible to predict or guarantee that the income verified at time of purchase would remain the same for the future. There has to be a set point in time, I would think the time of application, when a borrower has to qualify for the proposed loan.

The requirement of escrow accounts is a good proposal, as those escrow payments are known at time of origination and are part of homeownership cost. I would also like to point out that the mortgage broker only requirement of disclosing front and back end fees will only lead to creating more unlicensed originators at institutions that service the loan for a short time and then sell it " servicing released ", thus circumventing the mortgage broker requirement. There should be a level playing field regarding origination fees and compensation for the originator. If too many brokers go that route, regulating agencies would lose their policing power over vast numbers of loan originators.

Thank you for your consideration

Al Bader  
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