From: "Reginald Lancaster" <reginaldl@prodigy.net> on 04/04/2008 03:55:03 PM

Subject: Regulation Z

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Response to: "Docket No. R-1305"

You have our support for the consumer protection goals of the Federal Reserve Board's proposed amendments to Regulation Z, but respectfully oppose the proposal to restrict compensation for mortgage brokers. What we are saying is, if you are going to limit compensation for one party of mortgage bankers you should limit the compensation for all mortgage bankers and alike. That means everybody has to show what they are making on a loan front and back on the origination side as well as the wholesale side. The thing is, what you are doing is not helping the market, it is really hurting the market in many ways. For one, you are not building investor confidence in our markets. Two, it makes consumers more afraid of getting ripped off then ever to borrow money. It's not making the, much needed flow of money easier to obtain but harder. If a lender, investor or broker thank they are going to get sued every time they turn around, they are going to be less likely to approve loans for anyone.

You say that you want to fix this financial crisis our country is in and we thing that is great. What we have issues with is the even thought you say that you come up with ideas that make it impossible for the people who really need loan to get them. I will give you an example. The mortgage rates have come down to levels people should stop sitting on the fence and start buying again, but they have not. Do you know why? Even thought mortgage rates have come down to acceptable levels where consumers should start buying again, they cann't because of government regulations. If you are refinancing a home using Fannie Mae and your loan is over 71% to 75% loan to value you are going to get hit with anywhere between a .50 and .75 rate increase. If your loan is between 76% to 80% ltv you will now get hid with a 1% to 1.25% bump to the rate and if your loan is between 81% to 90% ltv, now you get a 1.25 to 1.50 bump to the rate. Not to mention the credit scores for these programs have increased. For example you use to be able to get in to a regular Fannie Mae program with a 620 score. Now you need a 650 or higher or they will hit you with another add on. How does effort the borrowers? Most borrowers are unable able to get loans to refinance when they need to.

With all the regulations, disclosures other than with we already have, you guys are, not on purpose, but never the less, making thing better. It's like the great depression in the 1930s. Banks had money but they refused to lend it out so everyone suffered. The same thing is going on to day but worse. Now the consumer does not have any confidence in the system.

Financing is harder to get and people are loosing there home and businesses because they are being restricted from having access to easy lending practices and innovative lending programs. We are making access to money seem like a crime. People are thinking they have not been given the full story about financing transactions. The truth of the matter is that almost everyone that is crying foul about their loans is lying. They were given the documents before they signed them to read over at settlement, which is when they should have, but they chose not to read them. Every document they signed was about their loan and how it was going to perform not to mention if it was a refinance, they were given copies at the time of settlement with three days to read over the documents and exercise their right to cancel the deal. They chose not to do so. They signed the documents blindly. Maybe purchased should have the same kind to clause; a three day right to cancel. Because the truth of the matter is, on a purchase if the borrower does not read the documents right there they don't have a cancellation cause, which I personally thing because of disclosure on some of these loans the borrower is unaware the loan payments, price and or amounts have changed until settlement and they are forced to sign for loans that might not be good for them, but on a refinance everyone has three days to read there documents over and cancel if they wish. My point is most of the people that getting financial lending transactions have the option of reading the documents of how there loan is going to perform at the settlement table before they sign on the line. There is no reason for anyone to say that did not know how their loan was going to work, how they were expected to pay it back and what would happen if they did not perform on the financing.

You should be making getting access to financing easy like it was before. It what is needed to restore confidence in the market, to grow consumer confidence, to grow investor confidence, borrower confidence and business confidence. Because with the way things are going now, business can not get financing or operation expenses which cause a loss of jobs. A loss of jobs causes consumer spending to decline which causes a loss in retail sales which causes a loss of more jobs. This causes a loss in investor confidence because people can not find work to repay their debt, which makes investors not want to finance any transactions. This is all a snowball effect because of the wrong consumer protection and Government regulations. Make money easy for everyone to get and limit the Fed ability to raise rates that don't take into consideration current market lending conditions and the effects of such changes, which we believe is the reason we are in this situation we are in today. We don't know of anyone complaining of home values increasing when they were. Do you. As for inflection, it is inevitable when you have an economy as robust as the on e we had. It was good to everyone.

Thanks you for taking the time to read out response to your docket number R – 1305. What ever you do thought, please if you do anything apply all you disclosure rules apply to all mortgage brokers, lenders, investors and originators. Don't let the lender and bank originators be excluded from any loop wholes in this segment of people should be help accountable in the dame manor as everyone else because they are just as capable and do miss lead people as well. Also, drop all the regulations they make getting to money hard. Make it easy for business to get the money they need to grow and run thee businesses. Make getting easy for people needing to refinance because they have loans payment the have jumped. We need to reestablish home market values to current rated, don't let foreclosures drag the housing markets down. Stop markets form declining. Keep values high. Install investor confidence. Install banker and broker confidence. Stop home values from dropping make people pay market value for home.   Keep values gong forward so everyone can keep the equity they gave fought so hard to have. This is not the time to make financing hard to get.

Thanks you very much,

Reginald Lancaster