

From: "Terry Katz" <terry@breezeflorida.com> on 03/26/2008 05:40:03 PM

Subject: Regulation Z

To Whom It May Concern,

Regarding the 'stated income' loan: There are many cases where someone got a mortgage who shouldn't have been able to, because of the inability to repay. There are plenty of circumstances, whereby, someone with excellent credit got a loan, has never missed a payment, and needed 'stated income' because they were slightly above the 36% debt to income ratio, which most banks require. The stated income loan is perfect for self-employed borrowers, because of write-offs and depreciation on their tax returns.

I am a licensed mortgage broker, and when I go buy a beer from a licensed bar owner, he/she does not disclose the 60 cents paid for the product, and the subsequent \$4.00 markup underneath the bottle cap or on the label. Car salesman, insurance salesman, medical supply sales people, pharmaceutical reps.....the list goes on.....they don't need to disclose their profit margin, and there are plenty of customers who are overcharged in dozens of areas, who are not regulated. I'm accused of the opposite, which is not charging enough. I don't like to charge points, I have worked hard at building a good reputation, and I want to KEEP helping people get into new homes, with good rates, and refinance homeowners into lower rates. What is the profit margin for gasoline, milk, any product? I have no problem disclosing yield spread, however, trying to eliminate stated loans is ridiculous, and will further worsen the numbers for an industry that has been hard hit...like realtors, who charge 6% (nothing wrong with that I guess.

Think about how many people might not be upside down on their properties to the extent they are, if realtors didn't charge a full 6%. I'm not sure why there's an attempt to bring the mortgage industry to its knees, however, if you want to focus on the companies which have a history of taking advantage of clients, that's fine. And let mortgage brokers continue to make a living, as well as help those who can't get loans at banks, or don't want to pay the higher rate the bank may be offering.

The pentagon has a credit union, some of the employees I'm certain are loan officers and wouldn't appreciate losing their jobs! Let's be sensible!

Thanks-

Terry Katz

Licensed Mortgage Broker
Radio Show Host
Breeze Mortgage
8970 Fontana Del Sol Way #2
Naples, FL 34109
(239) 598-1881
(239) 597-1881 Fax