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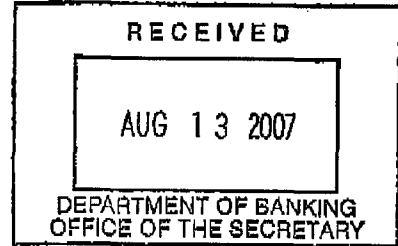
FAIRWAY CONSUMER DISCOUNT CO.

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August 10, 2007

Victoria A. Reider
Acting Secretary
Pennsylvania Department of Banking
17 N Second Street, Suite 1300
Harrisburg, PA 17101-2290



RE: *Proposed Regulations Governing Lending and Brokering*

Dear Ms. Reider:

When I appeared in front of your committee several months ago I tried to emphasize my belief that it is not the role of government to dictate the underwriting standards of a privately held, non-governmentally insured lending institution. Based upon my reading of the Department of Banking's *Proposed Regulations Governing Lending and Brokering* I clearly failed to persuade you.

It is critically important you recognize that the proposed regulations will have unintended consequence which will severely harm consumers.

Please consider the situation of my customer Tom R.

Tom R. owns a home free and clear in Pike County, PA. He paid \$66,000.00 for the property in 1995. Tom has \$3,000.00 in real estate taxes due. In addition, Tom needs \$10,000.00 to buy a car. Tom has no job at the present time because he does not have a car. He lives off of \$900.00 per month he receives from a rental property. Tom needs to borrow \$13,000.00.

Based upon the new proposed regulations Tom will never be able to get a loan – never!

Is it fair to Tom that he owns an asset but the government will not permitted him to use the stored up value of that asset to borrow the money he needs?

Ms. Reider, I understand that there is pressure on the government to do something about the current lending situation. But it is very important that the government not overreact.

Please consider meeting with me personally to discuss the problems facing the lending community. I have almost 20 years experience as a private lender, and I truly believe that I can provide you with many insights into the actual workings of the lending business, insights which will point to the real culprits in the lending difficulties we are seeing today.

Thank you for your consideration. I look forward to hearing back from you with an acknowledgement of your having received this letter and hoping for a favorable response to my request to meet with you personally.

Sincerely,

Fairway Consumer Discount Co.

Mark Warshal

INDEPENDENT REGULATION
PENNSYLVANIA
FINANCIAL COMMISSION

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