

# 2620

RECEIVED

RECEIVED

August 16, 2007  
Pennsylvania Department of Banking  
Attn: Office of Chief Counsel  
17 North Second Street  
Suite 1300  
Harrisburg, PA 17101

2007 AUG 23 AM 7: 21  
INDEPENDENT REGULATORY  
REVIEW COMMISSION

AUG 20 2007  
DEPARTMENT OF BANKING  
LEGAL SECTION

8/16/2007

Dear Council:

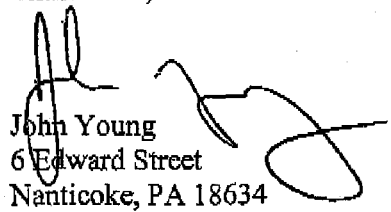
I'm writing this letter in response to these new mortgage regulations that have been proposed by the PA Department of Banking and are being considered by the commonwealth's Independent Regulatory Review Commission (IRRC). While I do agree somewhat with the new regulation (to protect consumers from facing foreclosure) I have to disagree that this will achieve anything.

I'm not sure why you are looking to terminate stated-income & no-doc loans. Both of these programs have a valid in the market when done correctly. I think that the loans themselves are not the problem; they have been used incorrectly in the past by immoral loan originators.

Also, if I could remind the DOB & IRRC that the main reason for foreclosure was consistent before, during and probably after the current housing cool down. Divorce, sickness & loss of job plus other unexpected lifestyle changes. Not stated income & no-doc loans.

I agree that there is a problem & it needs fixing, but this is not the way to do it. The side affect of these regulations will be the elimination of credit options for people who are currently struggling to get loans. The same people who are suppose to be helped by these rules will now be underserved as a result of their implementation. These regulations will hurt industry and consumer alike. They need to be reconsidered & replaced with a more sensible and effective proposals.

Thank You,

  
John Young  
6 Edward Street  
Nanticoke, PA 18634