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

AUG 21 PM 3:20
INDEPENDENT REGULATORY
REVIEW COMMISSION

AUG 17 2007

DEPARTMENT OF BANKING
LEGAL SECTION

Dear Council:

I am very concerned that new mortgage regulations that are being proposed by the Pennsylvania Department of Banking and are being considered by the commonwealth's Independent Regulatory Review Commission will completely lock out credit worthy individuals from their right to home ownership and affordable lending rates.

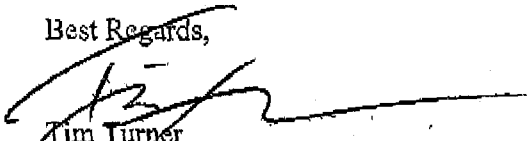
Of greatest concern is the section of the new regulations that aim to completely eliminate stated income and no-doc loans. I believe that the council may be placing too much focus on the negative parts of this particular loan, and completely overlooking the positive aspects of the stated income and no-doc loans. In my 7 years as a mortgage broker, I have found that many self employed borrowers have extreme difficulty using full doc loans. This difficulty is caused by the full doc requirements to use, in most cases, 2 years complete tax returns. The self employed borrowers are at a disadvantage when applying for a mortgage compared to standard w-2 employees.

The use of No-Doc loans is also a great benefit to many borrowers who are looking to reduce the time it takes to close and who, because of difficulty attaining all the appropriate documentation, cannot provide enough information in a timely manner to qualify for a loan. I believe that No-Doc and State Income loans have a very important place in the realm of residential mortgage lending.

I would also like to mention, that I believe the markets are effectively managing the various mortgage options at this very moment. Thus further regulation may not even be necessary. Lenders and investors are already tightening up their own lending policies. Some have reduced the amount of stated income and no-doc loans that they make available. But these lenders have not completely eliminated this type of loans. The reason lenders have not eliminated the reduced doc loan option is because they believe that these programs truly do have a place in today's lending market for borrowers who competently desire this option.

In summation, I hope that council carefully considers the impact of the new proposals and does not completely eliminate reduced doc loans but possibly place more borrower educational requirements on such programs.

Best Regards,



Tim Turner

First Mortgage Broker 13553