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Sent: Monday, April 19, 2004 6:20 PM
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Subject: EGRPRA

From: Tia Breedlove

Date: April 19, 2004

To: Comments

Subject: Reduce Regulatory Burden from Lending-Related Consumer Protection Rules

Thank you for giving us the opportunity to express our views on some burdensome consumer protection rules. Our comments are as follows:

a.. National Flood Insurance Reform Act of 1994 requires that all lenders provide notification to the borrower, "Notice of Special Flood Hazard and Availability of Federal Disaster Relief Assistance", when the building securing the loan is located in a Special Flood Hazard Area (SFHA). This notice is required on loan originations as well as refinances. At the time of the refinance when the borrower is aware that the property is located in a SFHA because they have an active flood policy in effect, giving the notice and giving the notice a reasonable time (10 days prior to closing) is burdensome.

If all insurance is through FEMA and the same cost to the customer, why can't we force place insurance on a note that requires flood insurance? The cost to the borrower should be the same.

a.. RESPA requires the Servicing Disclosure be given to the customer at the time of application if in person and within 3 days if by phone. Since these disclosures originally pertained to home purchase loans but now are required on all residential mortgage transactions, why can't the Servicing disclosure be given within the 3 day period as is the Good Faith and the Truth-in-Lending.

a.. Reg B new guidelines effective April 15, 2004 require confirmation of a joint application yet the Fannie Mae and Freddie Mac applications do not required any more than joint signatures. If both borrowers sign the application, their signatures should confirm the request for a joint application. Initialing the request for a joint application at the top of the application and signing the application seems to be double confirmation and burdensome.

Thank you for allowing me to express my concerns of these particular regulation issues.

Sincerely,

Tia Breedlove, Asst. V.P.

Compliance/CRA Officer

The Peoples Bank & Trust Company

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