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December 18th, 2008

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

Docket No. R-1340

Dear Ms. Johnson:

I am writing to you regarding the proposed revisions to Regulation Z to implement the provisions of the Mortgage Disclosure Improvement Act of 2008 (MDIA), as amended. The MDIA, among other things, requires mortgage lenders to deliver good faith estimates of specific mortgage disclosures or place them in the mail no later than three business days after receiving a consumer's application for any dwelling-secured, closed-end loan. It requires that the delivery or mailing of these disclosures occur at least seven business days before consummation of the loan unless the consumer requests expedition of consummation to meet a bona fide personal financial emergency. The MDIA also requires the information contained in these disclosures to be accurate to within a specified tolerance. It requires the creditor to re-disclose and wait an additional three business days from re-disclosure to consummate the loan should an inaccuracy beyond tolerances occur in the first APR disclosed.

Community Bank is a community-oriented institution that seeks to serve the consumer credit needs of its customers in a timely and efficient manner. We feel that these new requirements unnecessarily delay funding of consumer mortgage loans beyond reasonable time periods needed by consumers to review disclosures. While we agree that there is a need for full and accurate disclosure of all information related to a consumer mortgage loan, we feel that consumers can review disclosures and make a decision as to whether or not they wish to proceed in a far shorter period than the proposed revisions dictate. We do not feel that the consumer's best interest is being served by delaying their ability to access funds for over a week or for ten business days in the case of non-purchase loans secured by the borrower's principal dwelling where rescission delays may apply. And this lengthy delay of seven or ten business days could grow even longer if a mistake is made in the APR disclosure.

Our customers are often established borrowers with long-standing credit relationships with our bank. Frequently these borrowers desire consumer credit secured by a dwelling and they request prompt funding for various reasons including medical costs, tax payments, or home

repairs. If Regulation Z's standards for what constitutes a "bona fide personal financial emergency" for rescission purposes also apply to these new requirements, consumers would not be able to obtain required funds in a timely manner for many needs that would require prompt payment.

We anticipate a significant protest from borrowers when they are required to wait as much as thirteen business days (in excess of two calendar weeks) to receive their funds. To better accommodate consumers' needs, we request that the Board consider applying a more inclusive definition of "bona fide personal financial emergency" to these proposed revisions than is currently applied with respect to rescission purposes. In fact, we request that the Board provide a procedure in the final regulations whereby the borrower can affirmatively waive the waiting period by signing or initialing a positive statement. The statement should advise the borrower that he or she has the right to review all the disclosures given at the time of application for seven business days from the date of delivery of the disclosures. It should state that by affirmatively signing or initialing this statement, the borrower is stating that he or she has reviewed the disclosures and wishes to waive the waiting period in order to obtain loan proceeds sooner than would be allowed were the waiting period to expire. Providing this type of affirmative statement would fully disclose and preserve the consumer's right to review the disclosures for seven business days yet it would still provide the consumer with a method to obtain loan proceeds sooner if desired.

Thank you for considering our concerns and our proposed method of lessening the inconvenience to consumers while still preserving their rights to full disclosure. If you have any need to contact us concerning our comments and proposal, please do so by contacting Senior Vice President Jeff Swilley at (601)706-0774.

Sincerely,



Fred O. Leopold, Jr.
Chief Executive Officer
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