

I have been investing in mortgages since 1995, initially through individual private mortgages directly with borrowers. I realized investing into a Mortgage Investment Corporation minimized the risk as our investment was spread over a number of mortgages, rather than one household. In 1995 I became a Licenced Mortgage Broker and am still employed as a Mortgage Specialist in the industry. Mortgage brokers are educated and regulated.

The proposed amendments is against our Canadian Charter of Rights. These regulations take away our right to make choices with our own savings. I am an educated individual with a preference in lending in mortgages secured by real estate, rather than an investment in a Mutual Fund. I understand Real Estate not domestic or foreign companies that I have no knowledge of.

The Offering Memorandum is issued to me which I can read and understand in layman's terms. I also hold investments through our Licensed Financial Planner. I have a comfort with my Financial Planner, much like the owner/manager of the MIC we invest in, however I have never read a prospectus sent to me due the complexity of the companies.

I am astounded that you would propose a limit of \$30,000. to invest into a MIC. With bank interest rates at the lowest levels we need choices for investments. I do not feel it is the Governments responsibility to control how we choose to invest our savings.

On the other side of this coin is the borrower. As a mortgage specialist we are seeing the effects of the regulations the OSFSI. MIC's are used as short term solutions for Canadians that need assistance:

- Canadians offered Credit cards, too easily attained and limits increase as borrowers use them, often putting their credit scores too low to approach a bank.
- Canadians get ill, unable to keep up with payments until home sells or return to work.
- Canadians need to renovate their homes.
- Canadians starting new business

MIC's offer solutions when the bank says no.

In British Columbia we have seen an increase in the number of MIC's. This has been a benefit to the borrower as Cost of Borrowing has dramatically decreased since the early 90's due to competition.

Restricting the investment amount for Canadians seeking a better interest rate also restricts the much needed monies required to help Canadians when the banks cannot assist.

I ask for your reconsideration of this proposal.

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