

**STATEMENT OF ANITA MANGINELLI
IN SUPPORT OF S.B. 423**

Contact: c/o Bridget Cusack, 203-829-9068.

My name is Anita Manginelli. I am a victim of predatory lending. I am unfortunately not able to testify in person due to my schedule, so please accept this summary of my story. I live in Norwalk with my husband. Back in 2005 we had a fixed-rate mortgage and a home equity loan. We were current on our payments but we decided to refinance to consolidate some other bills. I worked with a mortgage broker and ultimately signed a loan from a lender in California. I did not see any papers showing the loan terms until the closing. Originally, the loan was presented to me as something that would refinance my existing mortgages and would give me cash to payoff other bills so I would have fewer payments. But, at the last minute, the broker said they couldn't do that so I went along with what he said.

The broker convinced me to go ahead with the new loan by telling me it was a good deal and that it would help me by building my credit. He also said that I could refinance within two years, but that didn't happen. There was only a notary at the closing and she was unable to explain anything about the loan. Instead of helping me consolidate my bills, the loan only refinanced my existing mortgages and gave me about \$1,200 cash out—which was not enough to pay off the other debts. The new mortgage was adjustable, instead of fixed, and the monthly payments were higher. The broker said that he was going to put my income “as stated” on the application. I didn't know what “stated” was—I thought it meant he would put down my actual salary of about \$27,500/year. Instead, I later found out he put the amount that would look good on the loan—\$75,000, instead of \$27,500. I have also discovered that the appraiser hired by the broker appraised my house for way over what it was worth to accommodate the loan.

I have had my house 9 years and never was late until this mortgage refinance happened. Since I began to have trouble with the payments, I have done everything people are told to do. I kept in touch with the lender and I also asked for a forbearance, but they were no help and on December 9, 2006 I was served with a foreclosure notice. I trusted my mortgage broker and he took advantage of me. I encourage you to pass S.B. 423 to protect people in the future. This bill will require brokers to act in the best interests of their customers and will give homeowners a private right of action that will enable people to enforce the law when a broker or lender breaks it.

Thank you for your consideration.