



August 1, 2011

Ms. Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve
20th Street and Constitution Avenue, N.W.
Washington, DC 20551
Re: Docket No. R-1411: Credit Risk Retention Requirements

Dear Ms. Johnson,

Regions Financial Corp.¹ appreciates the opportunity to comment on the proposed rules implementing the credit risk retention requirements of Section 15G of the Securities Exchange Act of 1934 as added by Section 941 of the *Dodd-Frank Wall Street Reform and Consumer Protection Act*. In particular, Regions would like to comment on one specific area where the proposed rules would lead to unintended consequences on consumers. Our specific comments are outlined below.

Definition of “Qualified Residential Mortgage”

The proposed rules would require a 20% down payment on purchase transactions in order to meet the definition of a Qualified Residential Mortgage (QRM). We feel this amount is too restrictive and will have a negative impact on a majority of first-time and low-to-moderate income home buyers who are creditworthy and cannot afford such a down payment. We request the 20% down payment requirement be re-evaluated to allow for low down payment mortgages subject to prudent underwriting practices. We also request the definition of a Qualified Mortgage (QM) under the proposed “ability-to-repay” rule amending the Truth in Lending Act be finalized first and aligning the QRM definition with QM.

Regions Bank appreciates the opportunity to comment on this proposal. If you have further questions please contact Barbara Brown at (205) 560-7568.

Sincerely,

Barbara Brown
Barbara Brown
Senior Vice President
Regions Mortgage
Regions Financial Corporation

¹ Regions Financial Corporation, with \$132 billion in assets, is a member of the S&P 100 Index and is one of the nation’s largest full-service providers of consumer and commercial banking, trust, securities brokerage, mortgage and insurance products and services. Regions serves customers in 16 states across the South, Midwest and Texas, and through its subsidiary, Regions Bank, operates approximately 1,800 banking offices and 2,200 ATMs. Its investment and securities brokerage trust and asset management division, Morgan Keegan & Company Inc., provides services from over 300 offices. Additional information about Regions and its full line of products and services can be found at www.regions.com.