

Office of the Comptroller of the Currency  
250 E Street, SW., Mail Stop 2-3  
Washington, DC 20219  
Re: Docket Number OCC-2010-0002

Jennifer J. Johnson  
Secretary, Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington, DC 20551  
Re: Docket No. R-1411

Robert E. Feldman, Executive Secretary  
Attention: Comments, Federal Deposit Insurance Corporation  
550 17th Street, NW., Washington, DC 20429  
Re: RIN 2590-AA43

Elizabeth M. Murphy  
Secretary, Securities and Exchange Commission  
100 F Street, NE., Washington, DC 20549-1090  
Re: File Number S7-14-11

Alfred M. Pollard, General Counsel  
Attention: Comments/RIN 2590-AA43  
Federal Housing Finance Agency, Fourth Floor  
1700 G Street, NW., Washington, DC 20552

Regulations Division  
Office of General Counsel, Department of Housing and Urban Development  
451 7th Street, SW, Room 10276, Washington, DC 20410-0500  
Re: Docket No. R-1411

**SUBJECT: Credit Risk Retention**

To whom it may concern:

As a current CMBS investor and former Wall Street employee, I am writing on an anonymous basis to generally support the current proposal but have comments on a couple of sections of the proposed regulations.

My first comment is on the "Premium Capture Cash Reserve Account". Specifically, while the "Premium Capture Cash Reserve Account" is a good idea, it contains, as currently contemplated, a major "loophole": specifically, an originator can eliminate bond sale profit as defined by the proposal but yet still profit handsomely by practicing "interest rate buydowns" at an individual loan level. An interest rate buydown involves having the borrower pay an up-front fee in exchange for receiving an artificially low, below-market interest rate on the loan. By originating such loans, the interest rate on the underlying loans would be no higher than the interest rate on

the securities sold, thereby providing the illusion that there is no premium to be captured even though the loan originator has been paid a lot of fees up-front by the borrowers. As such, I strongly urge that the final version of the regulations also prohibit such loan interest rate buydowns.

My second comment is on the voting mechanism for removing the Special Servicer. While I am supportive of the intent of the proposed regulations, the current proposal that allows the Operating Advisor to remove the Special Servicer absent an affirmative certificate holder vote to retain them is overly draconian. In lieu of that, I suggest that a majority vote of all certificate holders be required to remove the Special Servicer. Additionally, I think these regulations should force the CMBS issuers/underwriters to work with the Depository Trust Company to make it much easier than is currently the case for investors to register to be contacted in the case of a vote and to then place such vote. Right now, it is almost impossible to realistically conduct a vote since investors are hard to identify and locate and most investors are not even aware that a vote is actually taking place. I suggest an central industry-wide website that is paid for and maintained by the issuers and the DTC where an investor could register when they buy a bond and could sign up to receive email alerts when a vote is about to occur.

I trust that these comments will be found to be useful.