

From: Michael Monasky  
Proposal: 1411 (7100-AD70) - Credit Risk Retention  
Subject: Credit Risk Retention - Reg RR

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Comments:

Dear Treasury-Office of the Comptroller of the Currency, Federal Reserve, Securities & Exchange Commission, et al:

It is your sworn duty to protect the United States of American against all enemies, foreign AND domestic.  
There are capitalists who threaten the peace and very existence of US society.  
These are the bankers who have taken such great risks with the people's financial resources.

I purchased my home in the Sacramento Valley in 1993, and still live in it.  
We read every word in every sentence in every page of every document given to us.  
We used the information services of the Sacramento Housing and Redevelopment agency.  
Our origination costs were about 1%.  
My family made a down payment of 25%.  
We were not required to purchase mortgage insurance.  
We qualified for a Mortgage Credit Certificate.  
We pay our taxes and fire insurance separately from our principal and interest payments on the property.  
We have no other debt.

We were very excited to buy our home, and have made many improvements to it over the years.  
It is in an existing, established, walkable neighborhood.

What is wrong with the current housing system is the marketing of homes in suburban sprawl.  
Additionally, these homes are bedroom 'communities' without any community ties.  
It is easy to live an alienated lifestyle; alienation from each other, alienation from our work, and alienation from ourselves.

The rules you propose include a retention of risk by the institution that lends.  
I support such a rule.  
Requiring the bank to keep the portfolio of what it lends means the institution will be more responsible to the community it serves.  
Otherwise, it is a grand alienation to sell badly drafted mortgage notes to an unsuspecting pension fund or a foreign country.

Mortgage lending used to be more tightly regulated, so that mostly good risks were taken with parties who had down payments and sufficient resources to pay back the loan.  
Mortgage lending used to be a more highly respected industry.  
Not anymore; not since banking was deregulated to allow the admixture of commercial and investment institutions.

More regulation of banks, with greater restrictions, are needed to ensure the safe and secure use of the people's financial resources.

Michael Monasky