

From: Cunningham & Company , David Cunningham
Proposal: 1411 (7100-AD70) - Credit Risk Retention
Subject: Credit Risk Retention - Reg RR

Comments:

Dear Senators/Representatives:

I am a Sr. Mortgage Consultant with Cunningham & Company Mortgage Bankers(independent mortgage banker) based in Charlotte, NC and home office in Greensboro, NC.

The Dodd-Frank bill and ability to repay and qualified mortgage rule that has been brought up for comment needs to be relooked at and another proposed rule be published for comment before final adoption and implementation.

The following reasons why would be:

- 1) Many of us in the industry fear that consumers will not be able to obtain loans of less than \$75,000 due to points and fees limits, and this will adversely impact our minority borrowers many of which are first time home buyers. A higher threshold loan amount will better serve consumers. Many of us in the field feel a more appropriate range of \$150,000 versus \$75,000 thus allowing more first time home buyers to be able to afford a home without excessive fees due to loan amount.
- 2) The limit on points and fees must be revised to exclude employee compensation to avoid such compensation being counted twice. The points and fees calculation should not include double counting of any item.
- 3) The proposed rule will lead to fewer safe and sound product options to consumers due to the treatment of private mortgage insurance premiums , which likely will increase the dominance of government loans in certain markets
- 4) I would urge regulators to adopt a definition of qualified mortgages, which can then serve as the qualified residential mortgage definition under the risk retention rule.

I have been in the mortgage banking field for over 20 years and I am proud to say I enjoy assisting the first time home buyer and second and third time home buyers achieve their goal of home ownership. Isn't that what our past Presidents have pushed for is more opportunities for home ownership? I agree that our industry had to go through some major changes to cleanse our industry of the bad actors in our industry and to achieve a higher ethical standard in our industry. I believe that has certainly be done now and believe that you as the governing body for laws being past in our country need to allow the mortgage banking industry to do it's business as outlined by our governing agencies, but to allow at the same time common sense to be used again in underwriting for risk.

In closing I would like to say that I am proud of our industry and those left in our industry certainly are those that are have the consumers best interest

in mind and to accomplish the consumer's specific goals when purchasing a home and to put them in the mortgage product that fits the consumers goals and needs!!!! I also believe that the consumer is better served with more choices to choose from when applying for a mortgage loan and that you as a governing body need to make sure the field is level and that the only sources of lending aren't commercial banks and commercial banks only and to also make sure you have INDUSTRY EXPERTS(meaning people in the mortgage banking field) to be on the various government agencies overseeing our industry to make sure the rules and regulations being passed are going to be positive for the consumer, but also have the understanding and a voice of experience being heard before passing the proposed bills into law

Respectfully,

David Cunningham
Cunningham & Company