

June 7, 2011

Comment on the Dodd Frank Wall Street Reform and Consumer Protection Act.

Dear Members of Congress,

As a mortgage finance professional, I am writing to express my concern regarding the proposed rule by six federal financial regulators (FDIC, Federal Reserve, OCC, HUD, FHFA , and the SEC) to implement the risk retention provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act. In passing the Dodd Frank act, congress recognized the impact an across the board risk retention requirement could have on consumers and the markets. An amendment was added to exempt affordable an properly underwritten mortgages, known as qualified Residential Mortgage (QRM).

I do support the intention of the QRM exemption, but this proposal varies greatly from what Congress initially intended, and will keep many credit worthy families from realizing the dream of owning their own home.

To the point, I am asking that you please contact federal regulators and urge them to remove the strict down payment, loan to value and debt to income ratio requirements that are proposed in the QRM definition. It could take the average family many, many years to save for a 20% down payment in order to qualify for a QRM. The debt- to -income requirements that are specified are equally restrictive. They do not take any compensating factors into consideration, excellent credit, or amount of cash reserves. This will put homeownership out of reach for too many people!

I appreciate the regulators extending the comment time. There is so much at stake, getting this ruling right is of utmost importance.

If the rule were to simply require mortgage loans to be well documented, and prohibit risky product features, the legislative objectives would be satisfied and the harmful results of the proposed rule would be avoided. A parallel rule the was proposed by the Federal Reserve to implement Dodd-Frank's ability to repay provision and define a Qualified Mortgage, safe harbor actually takes such an approach-the Qualified Mortgage proposal should guide the QRM rulemaking as well.

Once again, on behalf of the thousands of real estate finance professionals from across our state, and many future potential homeowners, I ask that you please contact federal regulators to ensure they act as Congress intended so the American families are not harmed and our economy continues to improve.

Thank you for your time and consideration.

Respectfully,

Henrietta Roos Staser