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**From:** Sherri O'Callaghan [mailto:socallaghan@equitableonline.com]

**Sent:** Friday, April 15, 2011 3:26 PM

**To:** Comments

**Subject:** Comments Regarding RIN 3064-AD74

On behalf of the Nebraska Mortgage Association (NMA) I would like to comment on the proposed Qualified Residential Mortgage (QRM) rules as they pertain to risk retention. It is the belief of the NMA that the rules as proposed will irreparably harm the fragile housing recovery that our nation is currently in the very beginning stages of.

As proposed, first time homebuyers will be faced with much higher interest rates or a long delay in their dream of homeownership while they save for the required 20 percent downpayment.

Additionally, it is estimated that 25 million current homeowners would be locked out of lower refinance rates due to the required 25 percent equity requirement for refinancing. It is our feeling that the government is penalizing responsible consumers and making homeownership more expensive or simply out of reach for millions. Studies show that well-underwritten low down payment home loans have been a significant part of the mortgage finance system for decades and the proposed QRM exemption ignores this data.

In closing, it is the belief of the Nebraska Mortgage Association that the QRM rules should be redesigned to align with the Congressional intent: **to encourage sound lending behaviors that reduce future defaults *without harming responsible borrowers and lenders.***

Thank you for your time and the opportunity to comment on this extremely important issue.

*Sherri O'Callaghan*

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