

From: Rick Kunze [mailto:rkunze@tablerockbank.com]
Sent: Monday, July 25, 2011 2:26 PM
To: Comments
Subject: "Credit Risk Retention"

FDIC;

The proposed rules implement the "credit risk retention" requirements of the Dodd-Frank Act, pursuant to which the securitizer of asset-backed securities must retain not less than 5 percent of the credit risk of the assets collateralizing the asset-backed securities. While the Dodd-Frank Act proposed an exemption for asset-backed securities that are collateralized exclusively by "qualified residential mortgages," the proposed requirements for a "qualified residential mortgage" (QRM) include unusually high down payment requirements, with no recognition for loans that are covered at the time of origination by mortgage insurance or other credit enhancements.

It is already difficult for small rural community banks to help it's local customers when it come to them financing a home in their local communities. This additional regulation will only add additional pressures to our rural communities.

The impact that the proposed rule will have on our and other community bank's residential mortgage lending activities will be devastating to our communities. This requirement will put most small community banks in a position as to no longer finance rural America's homes, and leave all up to the large commercial banks that created the problems to start with. This large banks would not even want to make a \$25,000-\$100,000 loan on a house in Table Rock Nebraska or any other small communities for that matter. Again another example of over regulations of the small banks who did nothing to create the mortgage crisis to begin with!

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