

**From:** Gerry Owen [mailto:Gerry.Owen@savannahriverbanking.com]  
**Sent:** Thursday, July 26, 2012 11:29 AM  
**To:** Comments  
**Subject:** FDIC RIN 3064-AD96

To Whom it May Concern:

Our Bank originates 1-4 family fixed rate residential mortgage loans based on 15, 20, and 30 year amortizations with 3 to 5 year balloons. At the balloon maturity, the Bank typically renegotiates the rate with no additional changes. We do this to limit the Bank's interest rate risk. Under the current NPR, this type of loan will carry a risk weight of 100%-200%. This is extremely penal since these type of loans carry a risk weight of 50%.

Our Bank originates 1-4 variable rate residential mortgage loans based on 15, 20, and 30 year amortizations with 3 to 5 year balloons. The rates are typically tied to prime and reset immediately. Since the Bank does not control prime, there is no way to know if the rate will only change 2% per year or 6% over the life of the loan. Once again under the NPR, this loan type will carry a risk weight of 100%-200%. This is extremely penal since these type of loans carry a risk weight of 50%.

Sincerely,

*Gerry L. Owen*  
*Chief Financial Officer*



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