



Feedback on FHFA White Paper: Building a New Infrastructure for the Secondary Mortgage Market

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| Date of Receipt: | 10/12/2012 |
| Name of business/company/organization: | Michael Davis <input style="width: 500px;" type="text"/> |
| How would you describe your business | <input type="checkbox"/> Aggregator <input type="checkbox"/> Broker/Dealer <input type="checkbox"/> Collateral Manager <input type="checkbox"/> Community and Borrower Advocacy Group <input type="checkbox"/> Industry Group/Trade Association <input type="checkbox"/> Investor <input type="checkbox"/> Mortgage Insurance Company <input checked="" type="checkbox"/> Originator <input type="checkbox"/> Rating Agency <input type="checkbox"/> Regulator <input type="checkbox"/> Servicer <input type="checkbox"/> Other (Please specify) <input type="checkbox"/> Specify your own value: <input style="width: 100px;" type="text"/> <i>How would one describe the business</i> |
| (1) The proposed securitization platform has four core functions (issuance, disclosure, bond administration and master servicing). Will these core functions provide an efficient and effective foundation for the housing finance system going forward? | <input checked="" type="checkbox"/> |
| Please take a few moments to further explain your response to question (1). | Yes this is an excellent proposal but it still does not solve the problem of private capital getting back into the GSE market. Is it possible to force banks that accepted the TARP funds instead of re-paying these funds allow these back to purchase MBS directly from the GSE's. Also, maybe some of the smaller regional banks some tax breaks or incentives to purchase the MBS. |
| (2) Are there additional functionalities that should be considered as core functions of the platform? | Also, make the platform transparent so that everyone can understand how the process works. From homebuyers to investors, issuers or guarantors let everyone clearly understand who exactly does what. <i>For example, should the platform independently verify or determine underwriting and loan eligibility rules or pooling rules, or should the platform rely on an issuer or guarantor for those functions:</i> |
| (3) Will the framework for a model PSA described in this paper provide the foundation for a standardized contractual framework for the housing finance system going forward? | <input checked="" type="checkbox"/> |
| Please take a few moments to further explain your response to question (3) | A special servicer would not be a good idea as it would allow current servicers to transfer these loans prematurely to avoid the issue of trying to get these non-performing loans to perform. Now if there is a special \$ 10 fee added to each loan originated and sold to the GSE then we could use these funds to establish and maintain a special servicer |
| (4) Are there additional elements/attributes that should | |

be included in a model PSA?

For example, should the Model PSA define when a non-performing loan is required to be purchased out of the trust or transferred to a special servicer?

(5) How should compliance with the PSA be monitored in the future?:

(6) What enhancements to the role of trustee should be considered in order to attract private capital?

Also, if the GSE are unable to persuade the private capital investors maybe we can sell GSE's similar to the way we sell T-bills to the general public in small donominations of \$ 1000 a piece. The capital that is raised at these public auctions could be used to offset the lack of private capital.

(7) How should document custodial and assignment responsibilities be handled?

(8) Please provide any other comments or feedback you would like to offer on the white paper.:

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