

Lee Oller  
*Senior Vice President*

TEL: [REDACTED]  
FAX: [REDACTED]

November 10, 2015

Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Dear Sir or Madam:

Draper and Kramer has been a Federal Housing Administration approved lender since 1937. We primarily serve the Midwest communities located in Illinois and Wisconsin by financing apartments, senior housing, and skilled care nursing facilities, sheltered care and assisted living. The scope of our work has involved new construction, rehabilitation, acquisition and refinancing.

The proposed margining rule will likely impact our small borrowers and non-profit developers who provide affordable housing projects.

HUD's mortgage insurance programs (221 D4, 232 and 223 f) provides developers with a source of capital that they cannot find in the market place. This low cost of capital is in turn passed to American working families through lower rents.

On December 10<sup>th</sup>, 2013 HUD Secretary Shaun Donovan said, "We are in the midst of the worst rental affordable housing crisis this country has ever known." On April 7, 2015, HUD Secretary Julian Castro said, "Our entire nation is in the midst of an affordable housing crisis." What additional support and data can we provide to bring this crisis to your attention?

HUD has instituted robust risk mitigation policies and business practices to effectively minimize failures to deliver newly issued GNMA and FNMA MBS. The data cited in the proposed rule is not detailed enough to identify the source or causes of failed deliveries, let alone distinguish types of securities such as newly issued or post-delivery.

The SEC needs to engage the GNMA and FNMA MF/HC participants more vigorously in order to ensure this proposed rule does not have adverse, unintended consequences to Multifamily lenders, borrowers, and the residents and communities in which these projects are located (especially secondary and tertiary markets) where working Americans deserve safe, decent and affordable housing.

Please feel free to contact me should you need any additional information on how my company serves our Midwest communities.

Very truly yours,



Lee Oller  
Senior Vice President