



June 11, 2015

MSR Task Force
Conference of State Bank Supervisors
1129 20th St. NW, Ninth Floor
Washington DC 20036

RE: Proposed Standards for Non Bank Mortgage Servicers

Dear Sir or Madam:

Per your request I am sending written comments about the proposed standards for Non Bank Servicers.

I feel very strongly that there should be at least two categories of exemptions from these proposed standards: (1) a servicing exemption and (2) a loan type exemption, the details of which are:

Create a Servicing Exemption: A subservicer is a vendor for hire. It performs the servicing duties for the note holder. As long as the subservicer or affiliates do not own the MSR, an exemption should be created because the subservicer does not own any MSR assets.

Create a Loan Type Exemption: Reg X RESPA 1024.2(b) outlines the requirements for a note to be considered a Federally Related Mortgage Loan and exempts Non Federally Related Mortgage Loans based on situations found in 1024.5(a). Because many of the TL&M members are developers, provide seller-financing, and originate and service unimproved property, and because Texas defines an unimproved residential lot in its definition of Mortgage Loan (see Texas Finance Code §180.002(18)&(20)), an exemption for non-federally-related mortgage loans must be created or else a vacant lot will get caught up in these costly servicing regulations unnecessarily.

An adverse outcome would be that, if and when these small subservicers leave the industry, borrowers and consumers would be deprived of the kind of personal attention and customer care provided to them by these subservicers who know their customers and who can assist them with their needs, including providing information to them directly about their loans. This level of customer care is a far cry from the large, corporate note-servicer enterprises who cannot provide such service because of sheer numbers.

Please contact me at 512-560-8322 or kbennett@bennettinterests.com if you have any questions.

Sincerely Yours,

Kyndel W. Bennett
President