

AJM FIRST CAPITAL, LLC

Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Subject: Proposed Rule to Amend FINRA Rule 4210 Margin Requirements for To Be Announced Transactions (Notice published October 20, 2015)

Secretary Murphy,

I concur with the Mortgage Bankers Association comments on the Proposed Rule Change to Amend FINRA Rule 4210 to establish margin requirements for the TBA market.

With more than 30 years' service at HUD and personal experience with FHA affordable housing production through HUD, I believe that this rule change will adversely impact the future production and preservation of affordable housing, particularly since it may aggregate lending among larger institutions and adversely affect smaller, regional lenders who operate in secondary and tertiary markets.

As noted by the MBA and others, this rule places an undue burden on multifamily and healthcare lenders (costs associated with setting up margin accounts, monitoring daily changes, lines of credit, cost of margin, etc . . .). In addition, it will limit the number of competitive bids lenders can seek and thus increase borrowing costs.

Further, there have been no data that shows newly issued multifamily/healthcare MBS have a failure rate that could pose a systemic risk to the banking sector.

Particularly among FHA loans, current business and risk management practices among lenders, warehouse funders, and investors already minimize risk of failure to deliver MBS (reference MBA's prior letter dated March 28, 2014).

Thank you for your time and attention.

Sincerely,



Dennis G. Morton
President