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645 MADISON AVENUE
NEW YORK, N. Y. 10022
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WASHINGTON, D. C. 20005
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LOS ANGELES, CA. 90024
213-208-4343

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OFFICE OF CHIEF COUNSEL
CORPORATION FINANCE

September 18, 1987

PUBLIC AVAILABILITY DATE: 12-17-87
ACT SECTION RULE
1934 15(d) ---

Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: Capitol Acceptance Corp.
Collateralized Mortgage Obligations
Registration Statement on Form S-11
(Registration No. 33-11867)

Gentlemen:

On behalf of our client, Capitol Acceptance Corp., a Delaware corporation (the "Company"), we request that the staff of the Securities and Exchange Commission (the "Commission") indicate that it would not recommend enforcement action if, notwithstanding the effectiveness of its registration statement, the Company does not file reports and information required by Sections 13 and 15(d) of the Securities Exchange Act of 1934, as amended (the "Act"). The Company believes that, under the circumstances described herein, this request is consistent with the public interest and the protection of investors and would further the purposes intended by the policy and provisions of the Act.

Background

The Company is a wholly-owned, limited purpose finance subsidiary of Capitol Federal Savings Bank, a federally-chartered savings bank located in Michigan. The activities of the Company are limited by its articles to (i) issuing collateralized mortgage obligations and (ii) establishing one or more trusts to issue collateralized mortgage obligations.

The Company, on behalf of itself and certain trusts to be formed by the Company, filed a Registration Statement on Form S-11 (Registration No. 33-11867) (the "Registration Statement") under the Securities Act of 1933, as amended, relating to \$200,000,000 principal amount of Collateralized Mortgage Obligations ("Bonds"), issuable in series. The Registration Statement, as amended by Amendments No. 1, 2 and 3 thereto, was declared effective on August 20, 1987. The collateral for the Bonds will consist of "fully-modified pass-through" mortgage-backed certificates guaranteed as to timely payment of principal and interest by the Government National Mortgage Association ("GNMA Certificates"), Guaranteed Mortgage Pass-Through Certificates issued and guaranteed as to timely payment of principal and interest by the Federal National Mortgage Association ("FNMA Certificates") or Mortgage Participation Certificates issued and guaranteed as to timely payment of interest and ultimate payment of principal by the Federal Home Loan Mortgage Corporation ("FHLMC Certificates").

Since the date of effectiveness of the Registration Statement no Bonds have been issued nor does the Company have an intention of issuing Bonds in the near future. In addition, no trusts have been formed by the Company. The common stock of the Company will remain within the control of Capitol Federal Savings Bank.

Reports Required Under the Act

The obligation of the Company to file reports under Section 13 of the Act results from the applicability of the provisions of Section 15(d) of the Act upon the effectiveness of the Registration Statement. The Company notes that the purpose of such reports is to provide holders and potential holders of securities issued by the Company with current information concerning the Company. To the extent that it has not publicly issued any securities, the Company believes that the above-mentioned reports would not serve to protect investors or the public interest.

Relief Requested

Based on the foregoing, we request on behalf of the Company that the staff indicate that it will not recommend enforcement action against the Company or any trusts that may be formed by the Company if the reports required by Sections 13 and 15(d) of the Act are not filed until such time as Bonds are issued under the Registration Statement, after which time such reports will be filed with respect to the entity issuing such Bonds.

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If you have any questions or require any additional information concerning this request, please contact the undersigned at (212) 839-5576. If the staff believes that it is unable to grant the relief requested, we would appreciate the opportunity to discuss this matter prior to the issuance of a negative response.

Very truly yours,



Michael P. Peck

cc: Curtiss F. Chadwick
Capitol Acceptance Corp.

November 17, 1987

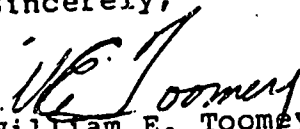
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RESPONSE OF THE OFFICE OF CHIEF COUNSEL
DIVISION OF CORPORATION FINANCE

Re: Capitol Acceptance Corp. (the "Company")
Collateralized Mortgage Obligations
File No. 33-11867
Incoming letter dated September 18, 1987

Based on the facts presented, this Division will not raise any objection if the Company does not file periodic reports pursuant to Section 15(d) of the Securities Exchange Act of 1934, until the date from and after which a report would be due for the year or period during which securities are first offered or sold by the Company under the registration statement.

Sincerely,


William E. Toomey
Assistant Chief Counsel