

July 3, 2001

Conrad Schlund, Compliance Manager
Suffolk Federal Credit Union
3681 Horseblock Road
P.O. Box 9005
Medford, New York 11763

Re: Maturities on Boat Loans.

Dear Mr. Schlund:

You have asked us if a boat may be considered a mobile home and qualify for a 20-year loan maturity. 12 C.F.R. §701.21(f)(1). Previously, we stated that, if a federal credit union loan on a recreational vehicle or house trailer is secured by a first lien and meets the requirements for a home mortgage interest deduction, the loan qualifies as a mobile home loan for the 20-year maturity limit. This is discussed in the enclosed letter from me to Gwen Baker, dated June 4, 2001. Like recreational vehicles and house trailers, we conclude that a boat may be considered a mobile home for loan maturity purposes. If a boat loan is secured by a first lien and qualifies for the home mortgage interest deduction, as discussed in my letter to Ms. Baker, then we believe that it likewise qualifies as a mobile home loan with a 20-year maturity limit.

Sincerely,

Sheila A. Albin
Associate General Counsel

OGC/PMP:bhs
SSIC 3500
01-0640

Enclosure