

From: [Tim Taylor](#)
To: [Regulatory Comments](#)
Subject: NCUA Risk-Based Capital Proposed Reg
Date: Tuesday, April 29, 2014 3:10:38 PM

To Whom it May Concern:

I am a member of the Library of Congress FCU and am writing to oppose NCUA's proposed risk based capital requirement.

It is my belief, supported by recent personal experience, that the decision on how "risky" a loan or any other asset is, or could be, should be made by the credit union and not the federal regulator using a one-size-fits-all formula from a table in rule.

Since graduating from college in 2006, I have been a renter. Last summer I chose to become a first time home buyer. It was not easy finding an affordable option that was also a convenient commute in the DC area. The property I found was a non-conforming condo--nonconforming because the building's commercial-to-residential ratio was too high to qualify for GSE sale. Two previous purchasers had offered full price, but banks turned down the offers' mortgage requests due to the nonconforming real estate security. At the time, I was a member of BofA and informed that I only qualified for a FHA loan. I wasn't informed this after speaking with a loan representative; I was informed via a non-personal e-mail after I submitted my information online. The main hurdle I had was that I hadn't really established any credit: no school loans, no car payments, no real credit card bills. I was able to join Library of Congress due to my company being included in their Field of Membership. From the very start, LoC helped me throughout my search efforts. Working directly with the chief lending officer, I was given pre-qualification letters so I might make offers. When this property became available, the credit union offered a 3% fixed rate for 3 years and required that I put only 5% down - I put 20% down by choice. The sale was closed with no problems. I have told my fellow workers my story, urging them to go to the credit union when they make their first home purchase. Since then, one of my other colleagues has successfully used LoC to close on his first home!

Changing the credit union model to put government's or examiner's formulas in the place of the credit union's policies and management's experience violates the very essence of the cooperative member-ownership model. Please withdraw this rule.

With concern,

Timothy H. Taylor