



Mr. Gerard Poliquin, Secretary of the Board  
National Credit Union Administration  
April 27, 2015  
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Mr. Gerard Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314-3428

RE: Risk-Based Capital Proposed Rule  
RIN 3133-AD77

Dear Mr. Poliquin,

On behalf of Digital Federal Credit Union, I am writing to you regarding the NCUA risk-based capital proposal. I appreciate the opportunity to provide feedback on the proposal as written. My primary concern with the proposal is the treatment of real estate loan risk-weightings. I have outlined my concerns and alternatives in detail below, and I appreciate the consideration as you move forward in the rule making process.

### **Real Estate Loans**

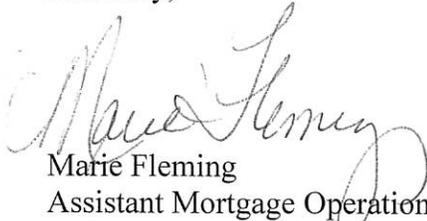
The Proposed Rule risk-weights the entire real estate portfolio with consideration of concentration risk of the portfolio to total assets of the credit union. The Proposed Rule does not consider the types of real estate loans within a credit union's portfolio. For example, a credit union's real estate portfolio's adjustable rate loans and/or shorter term loans, such as 10-year fixed rate loans, have far less risks than the portfolios' 30-year fixed rate loans. The Call Report currently has information disclosed at some level of detail for a credit union's real estate portfolio. Therefore, the NCUA should further segment a credit union's real estate portfolio to then risk-weight the varying risks within a credit union's real estate portfolio.



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Thank you for the opportunity to comment on this proposed regulation. The real estate issue outlined above could easily be improved using existing data available in the Call Report. I respectfully urge the NCUA to address the recommendations outlined above regarding the proposal.

Sincerely,

A handwritten signature in cursive script, appearing to read "Marie Fleming".

Marie Fleming  
Assistant Mortgage Operations Manager  
Digital Federal Credit Union  
(508) 804-9559  
mfleming@dcu.org