

From: Kathleen Metz
To: [Regulatory Comments](#)
Cc: [Grant Gallagher](#)
Subject: Comments on proposed rule Loans to Members and Lines of credit to members
Date: Wednesday, August 29, 2018 8:50:40 AM

August 29, 2018

National Credit Union Administration
Gerald Poliquin, Secretary of the Board
1775 Duke St
Alexandria VA 22314-3428

Re: Proposed Rule: Loans to Members and Lines of Credit to Members

Dear Mr. Poliquin:

Thank you for the opportunity to comment on whether the agency should provide longer maturity limits for 1-4 family real estate loans and other loans permitted by section 107(5)(A)(i)-(ii) of the Federal Credit Union Act (FCU Act).

Affinity Federal Credit Union regularly receives requests from members for financing on their 1-4 family investment properties. New Jersey, where Affinity is headquartered, has a significant number of multi-unit housing, a more affordable option for families living in a state with a high cost of living.

Affinity has the ability to evaluate the credit risk of the loan request and generally the best option for these members would be a mortgage with a 30 year term. There are programs through Fannie Mae, a government sponsored entity, that offer a 30 year mortgage for 1-4 family investment properties and banks and other financial institutions also offer this term.

However, due to the restraints of the FCU Act, Affinity must offer a shorter term loan with a balloon, which is not an optimal product for the member, or recommend the member obtain financing from a bank or other financial institution.

The restrictions in the FCU Act inhibit Affinity's ability to provide the best term for its membership for this product and loan type. Changing the limit to allow credit unions to offer a 30 year maturity for 1-4 family real estate loans would give credit unions the opportunity to appropriately evaluate and meet their members' needs.

Sincerely,

Kathleen M. Metz
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