

September 28, 1995

Opinion: 95-2 Redacted version

“A”

SUBJECT: Interpretation of Chapter 419-64 WAC

Dear “A”:

This letter is in response to your letter of July 26, which we have discussed on at least two occasions during the intervening time period.

Your questions concern the application of Chapter 419-64 WAC to a credit union’s loans that are secured by non-owner occupied, 1-4 family dwelling (“multi-family loans” or “multi-family loan program”). Set forth below are my responses to the three questions posed on page 2 of your letter.

1. Multi-family loans do not qualify for the exception under WAC 419-64-020(1)(a) to the definition of a “member business loan.” Assuming one of the other exceptions under WAC 419-64-WAC.
2. The credit union must have a written commercial lending policy to cover the multi-family loan program. WAC 419-64-030. The policy must address the qualifications and experience of personnel involved in making and administering multi-family loans. WAC 419-64-030(5).

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For purposes of the multi-family loan program:

- a. The policy should require that the personnel making and administering the program have appropriate qualifications and experience in making and administering multi-family loans.
 - b. It is not necessary that such personnel have qualifications and experience in all types of commercial lending.
3. This letter interprets RCW 31.12.406(1)(b) and Chapter 419-64 WAC, pursuant to our authority under RCW 31.12.406 and 516.

Please don't hesitate to give me a call if you have any further questions regarding these issues.

Sincerely,

J. Parker Cann
Acting Assistant Director