



Teresa Mandelin

The is a Comment on the **Comptroller of the Currency (OCC) Proposed Rule: Simplifications to the Capital Rule Pursuant to the Economic Growth and Regulatory Paperwork Reduction**

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Submitter Information

Submitter Name:

Teresa Mandelin

City:

Phoenix

Country:

United States

State or Province:

AZ

Comment

Exception to the HVCRE rule for 504 related interim construction loans was overlooked in the original legislation and I would like to comment in support of the proposed exception.

The 504 loan itself meets all the criteria for community development investments. In order to facilitate the bond funding of a 504 loan, the bank must provide an interim bridge note and/or interim construction loan. The ability of a bank to provide interim financing to accomodate a 504 loan, whose purpose is to encourage capital investment by small business/small business owners by providing low down payment options (10%), was negated by HVCRE of the prior rule and all but precluded many regional and community banks from participating in the program.

Your willingness to correct this oversight is greatly appreciated and will make credit accessible to many small businesses under the 504 program. I am in full support of the exception granted to 504 related interim construction loans under the HVADC rule in the proposed rule.