

July 21, 2014

SUBMITTED ELECTRONICALLY AT REGULATIONS.GOV

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

Re: RIN 3133-AE36

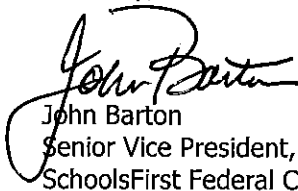
Dear Mr. Poliquin:

I am writing on behalf of SchoolsFirst Federal Credit Union (SchoolsFirst FCU), which serves school employees in Southern California. We have more than 600,000 Members and over \$10 billion in assets. SchoolsFirst FCU appreciates the opportunity to comment on your proposed revisions to NCUA rule Part 722.

We are pleased to see revisions to that would allow federally insured credit unions to refinance or modify a real estate-related loan without obtaining an appraisal if there is no advancement of new monies or with an advancement if there is adequate collateral protection. However, Part 722.3(d) requires transactions exempt under paragraphs 722.3(a)(1) and 722.3(a)(5) to be supported by a "written estimate of market value." We urge further clarification to Part 722 to provide that an automated valuation model (AVM) may serve as a sufficient "written estimate of value" for exempt transactions where the AVM complies with the guidelines provide in Appendix B of the Interagency Appraisal and Evaluation Guidelines issued by the agencies in 2010. These Guidelines permit the use of AVMs as an "evaluation" of value when supplemented by specific information regarding the subject property and certain other ancillary information.

We thank you for the opportunity to provide comments, and trust you find them informative in your future rule-making.

Sincerely,


John Barton
Senior Vice President, Lending
SchoolsFirst Federal Credit Union

Cc: Credit Union National Association (CUNA)
California & Nevada Credit Union Leagues (CCUL)