

August 22, 2014

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

RE: Comment Letter on NCUA Fixed Assets Proposal; RIN 3133-AE39

Dear Gerald Poliquin,

I am writing on behalf of United Health CU, which serves Mills-Peninsula Hospitals, Sequoia Hospital, Blood Centers of the Pacific as well as the community of Burlingame, CA. We have 5700 Members and \$65m in assets. United Health CU appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed amendments to the fixed asset rules.

I support removing the 5% limit as there could be many opportunities for credit unions that are cash rich to make a fixed asset investment. These could be prudent investments in a building that could reduce monthly rent expenses while also providing income if there is space to lease. Ultimately resulting in higher income and lower expenses.

Possibly having something that would outline the types of fixed assets or requirements of those. Example, real estate loan-to-value would need to be within lending criteria (which one would hope it would have to) but surely not purchase something over market value.

Occupancy seems like a realistic requirement but believe a waiver or exemption process would be reasonable.

I feel credit unions need to be allowed to manage their risk and through exams that could be reviewed and recommendations made if there's a concern.

Thank you for the opportunity to comment on the proposed amendments to the fixed asset rules and for considering our views.

Sincerely,

Linda White
CEO
United Health CU

cc: CUNA, CCUL