

June 20, 2016

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

RE: Comments on NCUA's Occupancy Rule

Dear Mr. Gerald Poliquin,

Introductory paragraph:

I am writing on behalf of Aloha Pacific, which serves the City & Country of Honolulu employees and other SEGs. We have 43,384 members and \$756,354,140 in assets. Aloha Pacific appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed occupancy rule.

Letter Body:

In general, we support of this revision because it provides clarity, but wish comment about the need for possible exceptions.

In highly urbanized areas (Honolulu, Hawaii), real property is in short supply and acquisition often comes with legacy lease obligations that may include multi-year renewal options (exceeding 6-years). These factors could pose a problem in attaining 50% occupancy in 6-years.

Coordinating the timing of lease expirations is equally challenging considering that existing offices that will occupy the new property have existing leases. Breaking those leases (aside from bankruptcy) may not

be economically feasible.

Summary of your position:

We ask NCUA to include the ability to grant exceptions based on specific economic circumstances of the property.

Closing paragraph:

Thank you for the opportunity to comment on this Proposed Rule and for considering our views on occupancy, planning, and disposal of acquired and abandoned premises.

Sincerely,

Kristopher Kono
VP-Risk Management Division
Aloha Pacific FCU

cc: CUNA, CCUL