

May 12, 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,

KEMBA Financial Credit Union is an Ohio based, state chartered, federally insured credit union. We presently serve 86,000 members across ten locations, in addition to a corporate headquarters building. Let me begin by thanking you for the opportunity to comment on the proposed rule change, relating to the Federal Credit Union Occupancy, Planning, and Disposal of Acquired and Abandoned Premises; Incidental Powers.

While this proposed rule change will not directly apply to us, often our state regulatory bodies adopt similar language into our regulatory requirements. Amending the rule to allow the purchase of a facility that only requires fifty percent usage by the credit union makes sense. This affords the credit union the ability to expand over time, while allowing it to put the unused space to use, as an incoming producing asset until that day occurs.

Furthermore, this practice would allow a credit union to perhaps occupy better locations to be utilized to serve their members. For example, the space may be more than is needed, but one that can be purchased at an attractive price in a prime location. Retail property is often priced at a premium. Or perhaps the building has a long term lease to an attractive tenant, yet still has excess space for an ideal branch location. The proposed change would allow the credit union the option to purchase such a building.

Again, thank you for the opportunity to comment on this rule change. We applaud the NCUA's willingness to conduct ongoing review of its prior regulations and to make changes that allow a credit union to better serve their members, without causing undo risk to the insurance fund.

Sincerely,

Gerald Guy
President/CEO
KEMBA Financial CU, Inc.

cc: CUNA, CCUL

