

October 06, 2018

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

RE: Comments on Proposed Rule 701, Loans to Members and Lines of Credit to Members

Dear Mr. Gerald Poliquin,

Introductory paragraph:

I am writing on behalf of [Pearl Hawaii FCU], which serves [the Community of the Island of Oahu]. We have [28792r] members and [\$379,191,177] in assets. [Peal Hawaii FCU] appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule for Loans to Members and Lines of Credit to Members.

Letter Body:

Should the NCUA provide longer maturity limits for 1-4 family real estate loans (currently 40 years; § 701.21(g)(1))?

If so, what maturity limits do you recommend for such loans, and why?

If not, why not?

NCUA should increase the limit 1-4 family real estate loans in areas where the median cost of a home is high in comparison to the average household income in the area. NCUA should give the credit union's board the latitude in determining the maturity limits (with a cap of up to 50 years) This will allow families the ability to purchase their homes rather than be renters for life.

Should the case-by-case Board exemption for maturity limits on 1-4 family real estate loans be retained? Yes
If so, under what circumstances would such exemptions be appropriate?

NCUA should increase the mortgage limits in areas where the median cost of homes is 200% or greater than the national average and where real estate prices have not fluctuated more than 15% in any given 12 month period

If not, why not?

Should the NCUA provide longer maturity limits for other loans, such as certain home improvement, mobile home, and second mortgage loans (currently 20 years; § 701.21(f))? NO

If so, what maturity limits do you recommend for such loans, and why?

If not, why not?

Should the NCUA provide a single universal standard limit for commercial loans and loan participations that may be purchased with respect to a single borrower or group of associated borrowers? NO

If so, what limit do you recommend for such a standard, and why?

If not, why not?

The risk of an individual borrower normally higher than that of a group of associated borrowers.

Do you support the proposed method of identifying all of the various loan maturity limits in one section of the regulations and including cross-citations? Why, or why not?

Yes. It would make it easier understood and to locate for each credit union

Three limits exist for loans to a single borrower or group of associated borrowers under the general limits, loan participations, and commercial loans. Do you support the proposed method of identifying each limit in the general limit section and including cross-citations to the more specific loan participation and commercial loan limits? Why, or why not?

There should be a single limit of 10% of equity for a single borrower and 15% of equity for a group of associated borrowers whether it's a commercial or non-commercial loan.

Summary of your position:

[Write the summary of your position here.]

Closing paragraph:

Thank you for the opportunity to comment on this Proposed Rule and for considering our views on NCUA's Loans to Members and Lines of Credit to Members rule.

Sincerely,

Gordon Sam
Board Chairperson
Pearl Harbor FCU

cc: CCUL