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MAY11'05 PM 2:18 BOARD

May 6, 2005

Mary Rupp, Secretary of the Board, NCUA
1775 Duke Street
Alexandria, VA 22314-3428

To: NCUA Board

I am writing in response to NCUA's Regulation 723 related to changes affecting Construction and Development lending. Under the new definition, the entire balance of any of these types of credit would be identified as construction and development loans even if a small portion is used for improvements. This proposal would affect the credit unions ability to meet members lending needs.

I oppose the proposed amendment to the definition of construction and development loans. I would like to thank NCUA for your consideration in this matter.

Sincerely,



Karen Sunderman