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MAY 11 '05 PM 2:18 BOARD

May 3, 2005

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

RE: Member Business Lending Rule, Part 723

Dear Mary Rupp,

I am writing to respond to the NCUA's proposed changes in the definition of Construction and Development Lending as it pertains to Regulation 723. I feel the proposed revisions will have a negative impact on my Credit Unions ability to serve its current and potential members. The extremely broad definition of what is considered Construction and Development will be a major difficulty in providing funding for all types of Member Business Loans.

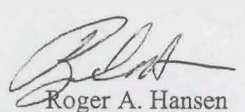
As the NCUA is very well aware, all Credit Unions are not the same, yet the proposed regulation seems to take a one size fits all approach. What may work for a Credit Union with \$10 million in assets and very few Member Business Loans will not work for a Credit Union that has \$300 million in assets and over \$100 million in Member Business Loans.

My Credit Union has been making Member Business Loans for over 20 years and has many lenders with over 15 years experience in granting Member Business Loans. Furthermore, my Credit Union has been criticized by NCUA examiners for having an excessive amount of capital and continues to have more capital than its peers. I think the amount of capital and the amount of experience of the Credit Unions lenders should be taken into consideration when determining the level of Construction and Development Loans a Credit Union is allowed to grant and service.

My Credit Union has been an important contributor to the economic growth of my community. They have provided funding for hundreds of businesses in the form of loans for business purchases, business expansion and business working capital. A major tool to accomplish this has been Construction and Development Loans for many of those hundreds of businesses. My community would not be nearly as large or economically diverse if it were not for my Credit Union providing financing for our local businesses.

If the proposed regulation is enacted, it will have a negative impact on my community and its residents. I hope that NCUA will consider revising the proposed regulation to provide some flexibility for Credit Unions with many years experience in Business Lending and an excellent track record with this type of Lending.

Sincerely,



Roger A. Hansen
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