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MAY 11 '05 PM 2:19 BOARD

May 9, 2005

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

Dear Mary,

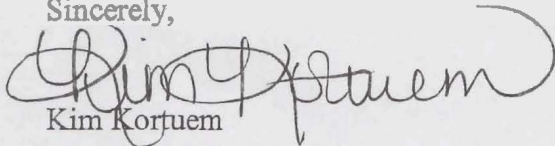
I am writing in regards to NCUA's proposed changes in the definition of Construction and Development lending as it pertains to regulation 723. If this proposal indeed gets implemented, it will have a negative effect on CMFCU and its members. Therefore, I am against this proposal. We do a lot for our communities and serve our members to the best of our ability.

I understand that there is a concern about the risks involved with construction and development loans. CMFCU strives to underwrite their loans very closely and carefully. Our staff has been trained to be aware of all of the aspects of lending. This in turn helps us to write very sound loans. In fact, our charge off ratio for Member Business loans is much less than our consumer loans.

Our credit union is located in the central part of Minnesota and services a lot of smaller communities. Due to growth from metro areas, there is a lot of construction and development in our service area. CMFCU is here to help the "little guy" with their business whether it is growth or day-to-day operations. Our members trust us and know that we will do everything we can to serve their needs. This personal, one on one service keeps members coming back and also helps the growth of our credit union. If we are unable to meet the needs of our members, we along with other credit unions, may need to consider a conversion from a Credit Union to bank charters.

In closing, restricting the way we have been operating for 65 years will adversely affect our business along with the members that we serve. I am very proud to be working for CMFCU and would recommend our services to anyone. I feel that the credit union has a lot to offer to their members and we show that in our every day operations. Thank you for your time and consideration in this matter.

Sincerely,

  
Kim Kortuem