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MAY09'05 PM 1:56 BOARD

May 5, 2005

National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Dear National Credit Union Administration,

As a Credit Analyst for the Central Minnesota Federal Credit Union, I am writing to you regarding the NCUA's proposed changes in the definition of Construction and Development lending as it pertains to regulation 723. If the proposed changes would be approved as presented it would significantly affect the products and services that we offer our members to meet their needs. We are a community credit union in a rural area servicing a large number of small family businesses, like farms and small town shops. We take pride in supporting our small businesses from startup to establishment and thereafter.

CMFCU has offered construction and development loans since our inception in 1938. With this long history and experience in this area our managers and supervisors are constantly reviewing procedures and ensuring that we keep up to date with the changes taking place. Commercial and agricultural loans have grown from 43% in 1988 to over 60% in 2005 as a percentage of our total loan portfolio. Under the new regulations proposed a large number of these loans would be classified as construction and development. Our credit union has grown over the years due to the experienced management team. The management team I believe fully understands the risks associated with all types of lending and they have minimized those risks to a very acceptable level.

I would like to thank you for your time and consideration on this matter. The questions that arise with the proposed changes are of great importance and the outcome will have a great impact on all credit unions especially my credit union. I have been a member of CMFCU for the past 18 years and an employee working in the business department for 12 years. I have confidence in the NCUA that the correct results will be made and put forth for the best of all credit unions without disturbing member service.

Respectfully,



Bonnie Dingmann