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May 5, 2005

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

To Whom It May Concern:


I am a member and owner of Central Minnesota Federal Credit Union, as well as an employee. Living and working in central Minnesota, a person gets very used to living around dairy farms and how they operate. There are always little things that need to be done to keep the farm going, fences to build, buildings to repair or build, not to mention all the maintenance that goes into the home that is on the property. There is always something happening on a farm.

Now let's imagine that you are a loan officer at my credit union, and you are out on a site visit at a local dairy farm and you notice that the farmer is putting new windows on his house. He didn't borrow any money to do this project, but is purchasing the windows a few at a time out of money that his wife earns from her part time job outside the home. Under the proposed revision of Regulation 723, you as the loan officer would have to go back to the credit union and revise this particular farmer's account so that all of his loans are Construction and Development loans. If the farmer comes in with a request for a loan, even if it is as small as a \$2500 crop in-put loan that he has no problem qualifying for, you can not approve him because he is updating and improving his home out of his own pocket on his own time. This member is now forced to go to the bank across the street, and the relationship is tarnished.

Sounds ridiculous, doesn't it?

Please reconsider revising Regulation 723. I realize that there may be some issues with the regulation the way it is currently, but labeling all of a small business or farmers loans as Construction and Development loans is not the answer. It simply makes a frustrating mess for everyone involved. Thank you for your time and careful consideration of this matter.

Sincerely,



Amanda VanHavermaet