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MAY 10 '05 PM 2:24 BDA

May 4, 2005

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

Dear Ms. Mary Rupp,

RE: I am writing to express my opinion in regards to NCUA's proposed changes of Construction and Development Lending.

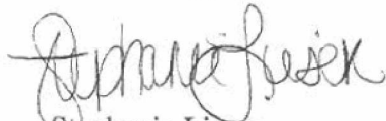
Central Minnesota Federal Credit Union offers a wide variety of loans to its members. We provide members of Central Minnesota funding for: consumer issues, residential, agricultural, and business loans. We have been in operation for many successful years and I feel that this regulation 723 would have a severely negative impact on the way our members view Central Minnesota Federal Credit Union.

The new definition of construction and development is the intent to improve of ones personal property (buildings). This means that when our members come to us looking for a small loan to fund their new calf barn, for example, we can not provide the money to fund this loan, as it will improve their personal property. We will have to shut the door on many, if not all of our members. As you can see, the public, our members, will be significantly impacted by this restriction.

We have been borrowing funds for these types of loans on an every day basis since 1938 and our members have taken care of their loans to their best intent. To now take away these privileges would end Central Minnesota Federal Credit Union's reputation for serving our members and community to the best of our ability. I believe that the restriction should take into consideration Central Minnesota Federal Credit Union's charge off history with these types of loans. Our charge off's to average loan ratio is consistently below peer despite our high levels of construction and development loans.

I would like to thank you for taking the time to read my opinions on this very serious manner. If you should have any questions on what I have expressed please feel free to contact me at Central Minnesota Federal Credit Union. Thank you.

Respectfully,



Stephanie Lieser  
Loan Officer/Processor  
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