



MAY11'05 PM 2:18 BOARD

May 5, 2005

Mary Rupp  
Secretary of the Board  
NCUA  
1775 Duke Street  
Alexandria, VA 22314-3428

Mary:

I totally oppose the proposed amendments to the definition of construction or development loans to include loans for renovating or developing property already owned by a borrower, for income producing purposes.

I belong to a community credit union that serves the little guy, sole proprietors, in addition to larger, corporate borrowers. There are many ways in which they access their credit including ( credit cards, home equity loans, cash out refinances, lines of credit, even ready reserve loans) to be used for their business to make improvements. Under the new definition, the entire balance of any of these types of credit would be identified as a construction and development loan even if only a small portion were used for an improvement.

Please, consider these things.

Thank You

Cheryl Nelson  
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