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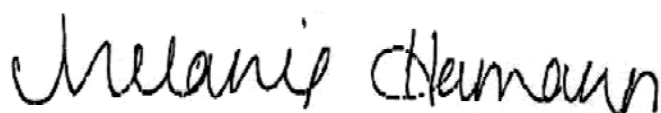
Mary Rupp, Secretary of the Board, National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

I am writing in regards to the NCUA Board proposal to change the definition of Construction and Development lending as it pertains to regulation 723.

As an employee of Central Minnesota Federal Credit, for the past 8 years, I have helped many of our long standing members as well as new members. I think that a broader definition of the regulation would limit our ability to meet our members needs. We are community credit unions in rural areas, and as a community credit union we serve all types of people, from the little guy to larger corporations. Rural communities have a large number of small businesses. There are several ways our members can access funds and credit. Members can use credit cards, personal or business lines of credit, ready reserve loans, etc. Under the new definition, the whole balance of the loans would be considered construction and development loans even if only a small amount was used for the improvement.

Further restrictions on the ability to service our members needs could result in our members converting to banks instead. Part of doing business is taking on risks and learning to manage them. We don't want to eliminate them totally.

Sincerely,



Melanie Hamann