

Peggy Balzer
21338 Fresno Court
Richmond, MN 56368

May 4th, 2005

Ms. Mary Rupp
Secretary of the Board, NCUA
1775 Duke St.
Alexandria, VA .22314-3428

Dear Mary,

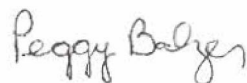
I would like to share with you my thoughts and feelings regarding NCUA's proposed changes in the definition of Construction or Development lending as it pertains to regulation 723.

My husband, his parents and myself previously owned and operated a Convenience Store in rural Minnesota. We had several dealings with Central Minnesota Federal Credit Union while in business. CMFCU is very committed to serving it's community and members in any way possible. We could always count on CMFCU to help us with our construction loans when making improvements to the Convenience Store.

Granted all loans have some risk involved, but if properly written and monitored C & D loans should not pose any higher risk than any other type of loan.

The result of these changes would be negative for CMFCU. We would not be able to continue giving our members the highest quality of service that they are currently accustomed to.

Sincerely,



Peggy Balzer