

130

MAY16'05 AM 8:20 BOARD

May 4, 2005

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

Dear Mary,

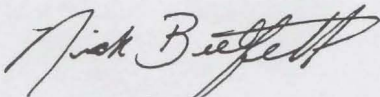
I am writing this letter concerning the new changes that have been proposed to the Construction and Development Loan regulation 723. In my few months working with Central Minnesota Federal Credit Union I have learned immeasurable amounts. I have learned about lending, good credit, bad credit, and the strong impact credit unions have on the communities that they serve.

As an outsider, from a big city where everything is industrialized and everyone is a number I have come to a welcoming community (the credit union) where everyone not only has a name but true interest expressed in their well-being not only by myself but my co-workers as well. I have learned in a short time that if you are good to others, they in turn will treat you the same. We have many loans with smaller businesses that are doing very well for themselves because the credit union saw something in them that banks could not, the potential to do well.

I have learned to analyze the credit risk that members may bring if we were to approve their loan. Statistics show that our charge off ratio for our business loans is consistently less than our charge off ratio for consumer loans, showing that we are making good business decisions. Agricultural and Commercial loans contribute over 60% of our total loan portfolio. Many of these loans qualify as Construction and Development loans. The rural communities we serve are made up of many agricultural farmers and independent business owners who depend on us to help them exist.

~~Please reconsider this proposed change and think about what it means for NCAU in return.~~ Credit Unions would not be where they are today without a little group effort. As a team, we can continue to be successful and expand enabling us to help more people who need it.

Respectfully,



Nick Bielfelt