



July 23, 2015

JUL 27 '15 PM 2:29 BOARD

Gerard S. Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

RE: Comments on Proposed Rulemaking for Member Business Loans, Part 723

Dear Mr. Poliquin:

I am writing to express my sincere concern with the NCUA's proposed rule to dramatically expand credit unions' authorities for Member Business Loans and Commercial Lending.

My concerns with this expanded authority deal with the safety and soundness risks posed by this action. I do not feel that credit unions are equipped from a structure and oversight standpoint to operate in a sound manner in this form of lending. Furthermore, increasing these authorities is contrary to NCUA's charge of protecting the industry's insurance fund, and effectively places the taxpayer at risk. I understand that the proposal being discussed could eliminate the requirement for personal guarantees, remove loan-to-value limitations and change collateral requirements.

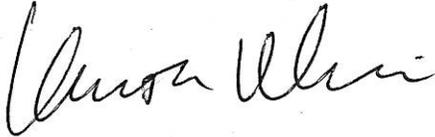
Here in Minneapolis/St. Paul, we have seen numerous transactions financed by credit unions all ready, that would not meet virtually any banks' underwriting standards. The lack of discipline within the commercial real estate lending market, in the Twin Cities, as shown by the credit unions is already apparent. Increasing the commercial lending authorities further would only heighten the risks present in our market.

This proposal is contrary to congressional intent where it was made clear that credit unions should be focused on consumer lending, not commercial lending. Congress instituted restrictions on business lending deliberately to ensure that credit unions fulfill their specified mission of meeting the credit and savings needs of consumers rather than business loans.

Finally, and most importantly, this proposal is not needed. Financial institutions in this market have an excellent record of serving small business customers and their financial needs. Allowing credit unions to operate with greater latitude in commercial lending could impact our customers in a negative way by causing confusion as it relates to underwriting standards and the use other products.

I appreciate your consideration in reviewing the appropriateness of this proposal and weighing the concerns I have outlined above. I can be reached at 763-512-5299.

Sincerely,

A handwritten signature in black ink, appearing to read "Kurt R. Weise". The signature is fluid and cursive, with the first name "Kurt" being more prominent than the last name "Weise".

Kurt R. Weise, Chairman
Central Bank
945 Winnetka Ave. N.
Golden Valley MN 55124

Cc: Senator Amy Klobuchar
302 Hart Senate Office Building
Washington DC 20510

Cc: Representative Tom Emmer
503 Canon House Office Building
Washington DC 20515