

# Royal Homes

CONSTRUCTION & DEVELOPMENT, INC

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9-18-2006

Mr. Robert E Feldman  
Executive Secretary  
Federal Deposit Insurance Corporation  
550 Seventeenth Street, N.W.  
Washington, D.C. 20429



Attention: Comments

Re; Deposit Insurance Assessments and Federal Home Loan Bank Advances

Dear Mr. Feldman;

This letter is with regard to the FDIC notice of proposed rule making and request for comment on deposit insurance assessments. Specifically, we believe that the FDIC's proposed rule to include in the definition of whether higher assessment rates should be charged to institutions that have significant amounts of secured liabilities would be harmful to FHLBanks, their member institutions and access to affordable housing finance options in our community.

The profits derived by FHLBanks, primarily through their advance products, contribute to the largest low-income housing grant program in the country. Our Company has been in a position to see the very positive benefits the FHLBanks grants to low income homeownership developments have made to the lives of residents in Erie, Pa. The proposal before the FDIC could have a very negative impact on the profits of the member banks and ultimately reduce the funding available to the Affordable Housing Program thereby severely limiting future low-income housing opportunities

We urge the FDIC to seriously evaluate and ultimately repeal the proposal to curtail FHLBanks advances. Anything that has the potential to limit resources for low-income housing affordability in our communities will have a very negative rippling effect.

I appreciate the opportunity to comment on this very important matter.

Sincerely,

Donald C. Crenshaw  
President

