

May 9, 2005

Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, D.C. 20429

Dear Mr. Feldman,

Thank you for the opportunity to comment in support of the proposal issued by the federal banking agencies that would amend the definition of a small institution under the Community Reinvestment Act (CRA). As a community bank, we applaud efforts to reduce the regulatory burden that has impacted our industry over the past several years. The agencies proposal to increase the threshold for the streamlined CRA exam to \$1 Billion would certainly be a significant step toward swinging the regulatory relief pendulum in the right direction.

That being said, we do not feel it is necessary or less burdensome to include a separate Community Development Lending test as part of this proposal. Including the Community Development criteria as part of an overall lending test would make the most sense. Community Development lending is very problematic for our bank due to size (\$310 Million) restrictions and the competition in our geographic area. Requiring a satisfactory rating on both a lending test and a separate Community Development test in order to receive an overall satisfactory rating would be unnecessarily burdensome and a benchmark that would be very difficult to achieve.

Adopting the streamlined CRA exam for Banks under \$1 Billion will not be detrimental to CRA lending. It will not reduce in any way the volume of loans made by the bank or negatively affect the bank's commitment to its community. Compliance with CRA is something the Bank takes very seriously because it makes good business sense. Providing this reasonable regulatory relief will only increase our ability to meet the needs of our community by allowing us to focus our efforts in areas that will produce results.

Thank you again for considering our viewpoint.

Sincerely,

Jeff Camenker
Vice President
Stoneham Savings Bank
Stoneham, Massachusetts