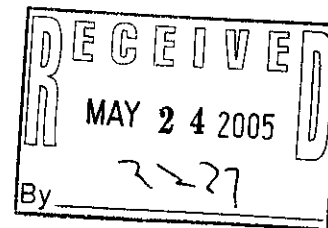


Plaza Bank

7460 W Irving Park Road • Norridge, Illinois 60706 • (708) 456-3440 • (773) 625-4100
May 13, 2005

Member F.D.I.C.

Robert E. Feldman, Executive Secretary
ATTN: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street Northwest
Washington D.C. 20429



ATTN: RIN 3064-AC89

Dear Mr. Feldman:

As a community banker, I strongly support any steps that will ease the regulatory burden that community bankers confront every day and that unnecessarily use up time and energy that should be devoted to serving our customers and communities. The agencies' CRA proposal to increase the threshold for the streamlined CRA exam to \$1 billion is a step in the right direction.

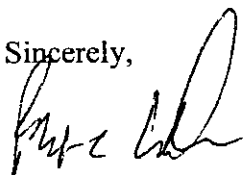
With the many changes our industry has undergone in the last 25 years, especially the many mergers and the appearance of huge banks that operate nationwide, it is time to adjust the CRA rule and set a \$1 billion benchmark for tiered examinations. Simply applying the current streamlined CRA exam to banks with up to \$1 billion in assets would reduce burden more than the current proposal. Therefore, I am opposed to the additional requirement of a "Community Development" standard. I believe that the most important CRA criteria should be direct lending in low and moderate income areas. Creating new provisions for Community Development Activities may in fact divert resources away from crucial direct lending activities. Historically our bank has invested between 10% and 20% of our total assets in direct lending in low and moderate income areas.

Community banks need to serve their markets in the most appropriate way, given their own strengths and the needs of their communities. However, for burden reduction to be realized, examiners must understand how to apply this flexibility. The new CRA standard is ill-defined.

Regulatory burden disproportionately impacts community banks. Many are merging or selling under the pressures presented by regulatory burden. Without regulatory relief, many communities will lose their local institutions, to the detriment of the entire community.

Thank you for the opportunity to comment.

Sincerely,



Robert C. Wareham
President

RCW:gvb