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FREDERICK C. SCOGNO
VICE PRESIDENT
CHIEF COMMERCIAL
LENDING OFFICER

Administrative Offices

1179 Route 40 P.O. Box 230
Woodstown, NJ 08098-0230
(856) 769-4400, ext. 115
(856) 769-5573 FAX
fscogno@franklinsavingsbank.com

www.franklinsavingsbank.com

April 6, 2006

Office of the Comptroller of the Currency
250 E. Street, SW
Public Reference Room
Mail Stop 1-5
Washington, DC 20219

Robert E. Feldman, Executive Secretary
Attn: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Docket No. 06-01

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G. Street, NW
Washington, DC 20552
Docket No: 2006-01

Jennifer Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave., NW
Washington, DC 20551
Docket No. OP-1248

Re: Proposal on Concentrations in Commercial Real Estate Lending, Sound Risk Management Practice

Dear Sir or Madam:

I appreciate the opportunity to comment on the proposed guidance on Concentrations in Commercial Real Estate Lending, Sound Risk Management Practices.

Having spent many years in Commercial Lending, I would agree that all institutions should have in place risk management practices and capital levels commensurate with the risks associated with any concentrations on commercial real estate lending. However, it appears that the proposed tests are too broad and arbitrary.

There is a large difference between the risks of a well-underwritten loan where the borrower has a significant investment and loans that offer overly liberal terms where the borrower has little or nothing to lose should the project fail.

It appears reasonable that rather than set arbitrary thresholds, the guidance should focus on the individual institution being examined. Institutions differ in the portfolio composition, experience and expertise of the lending and management staff, the thoroughness of loan underwriting and risk management practices

SALEM - Main Office 137 West Broadway PO Box 77 Salem, NJ 08079 (856) 935-2400	PENNSVILLE 260 N Broadway PO Box 156 Pennsville, NJ 08070 (856) 678-5911	PIESGROVE - WOODSTOWN 1179 Route 40 PO Box 230 Woodstown, NJ 08098 (856) 769-1327	SWEDSBORO 1450 Kings Hwy PO Box 126 Swedesboro, NJ 08085 (856) 467-2650	OCEAN VIEW 2584 Route 9 PO Box 505 Ocean View, NJ 08230 (609) 624-1991	FRANKLINVILLE 2039 Delsea Dr PO Box 660 Franklinville, NJ 08322 (856) 694-0220	SALEM (Drive-up) 18 Front St. PO Box 77 Salem, NJ 08079 (856) 339-9526
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and the specific economic condition of the local market that the institution may serve. It appears that the proposal may unnecessarily curtail commercial real estate lending and limit opportunities for community based banks to serve their communities and meet CRA requirements.

I appreciate the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read 'F. Scogno', written over a horizontal line.

Frederick C. Scogno
Vice President/
Chief Commercial Lending Officer

CC: David W. Lindstrom
President/Chief Executive
Officer/Director