



*Filed via E-mail*

April 13, 2006

Robert E. Feldman  
Executive Secretary  
Attention: Comments  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429  
[Comments@FDIC.gov](mailto:Comments@FDIC.gov)

Regulation Comments  
Chief Counsel's Office  
Office of Thrift Supervision  
1700 G Street, NW  
Washington, DC 20552  
Attention: No 2005-56  
[Regs.comments@ots.treas.gov](mailto:Regs.comments@ots.treas.gov)

Jennifer J. Johnson, Secretary  
Board of Governors of the Federal  
Reserve System  
20<sup>th</sup> Street & Constitution Avenue, NW  
Washington, DC 20551  
[Regs.comments@federalreserve.gov](mailto:Regs.comments@federalreserve.gov)

Office of the Comptroller of the Currency  
250 E Street, SW, Mail Stop 1-5  
Washington, DC 20219  
[Regs.comments@occ.treas.gov](mailto:Regs.comments@occ.treas.gov)

RE: **FDIC** (No docket ID); **FRB** Docket No. OP-1246; **OCC** Docket No. 05-21; **OTS** Docket No. 2006-01; **Proposed Interagency Guidance on Concentrations in Commercial Real Estate**; 71 Federal Register 2302; January 13, 2006.

Dear federal financial institutions regulators:

Your agencies proposed Interagency Guidance that would increase risk management by banks and savings associations deemed to have a concentration in real estate ("CRE").

The Pennsylvania Bankers Association ("PBA") consists of over 200 banks, savings banks, savings associations, bank and trust companies, trust companies and their affiliates with operations in the Commonwealth of Pennsylvania.

Many PBA members have re-invested in their communities via commercial real estate lending and a number have expressed concern about the potential, unintended, adverse consequences of this proposed guidance. We urge that it not be issued in its current form.

In recommending against the publication of this guidance in its current form, PBA is not advocating lessening the emphasis on strong supervisory oversight of commercial lending risk. Instead, we seek to avoid

potential banker and examiner confusion and commercial real estate disruption that we believe the guidance, in its current form, could cause.

PBA urges you to review and heed the American Bankers Association's thorough and thoughtful comments, recommendations and analysis of your proposed guidance. (*ABA's letter was submitted via email on March 30, 2006*).

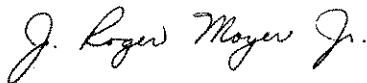
Sincerely,



Donald E. Abrey  
PBA Chairman  
President and Chief Executive Officer  
Peoples State Bank of Wyalusing



Elmer C. Laslo  
PBA 1<sup>st</sup> Vice Chairman  
President and Chief Executive Officer  
1<sup>st</sup> Summit Bank



J. Roger Moyer, Jr.  
PBA 2<sup>nd</sup> Vice Chairman  
President and Chief Executive Officer  
Sterling Financial Corporation



David E. Zuern  
PBA Past Chairman  
Executive Vice President  
Sovereign Bancorp, Inc.



Robert A. Rupel  
Government Relations Policy Committee Chairman  
Chairman, President and Chief Executive Officer  
Lafayette Ambassador Bank