ROMA BANK

April 12, 2006

VIA FACSIMILE
(202) 906-6518

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street, NW
Washington, DC 20552

Re: Proposed Guidance: Concentrations in Commercial Real Estate Lending, Sound Management Risk Practices

Gentlemen:

Roma Bank, a $796 million OTS-regulated institution based in Robbinsville, New Jersey, appreciates the opportunity to comment on the captioned regulatory guidance, which was published in the ***Federal Register*** on January 13, 2006 (71 FR 2302).

Roma Bank agrees with the Federal banking regulatory agencies that "……institutions should have in place risk management practices and capital levels appropriate to the risk associated with these (i.e., commercial real estate) concentrations." The foregoing guidance has always been an integral part of the underwriting guidelines observed by Roma Bank in its processing of credit applications for commercial loan financing. At present, Roma Bank has a commercial real estate loan portfolio of $68.2 million, which represents 8.6% of total assets, and 48.8% of regulatory capital.

We do, however, feel that it is important for the Federal banking regulatory agencies to recognize the extensive burden that would be imposed on community banks by certain provisions in the proposal regarding risk management requirements for institutions engaged in commercial real estate lending. To alleviate this burden, it is our recommendation that the risk management examinations of the Federal banking regulatory agencies take into account the size and complexity of the institution, and its commercial real estate loan portfolio.

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We strongly recommend that the guidance be redrafted and made workable. We feel that the proposal should avoid imposing regulatory burdens in the risk management area that are disproportionate to the size and complexity of an individual institution.

We also believe that the regulatory guidance document should be devoid of rigid, arbitrary threshold tests that ignore the actual risk factors associated with a particular loan or portfolio. If the threshold tests must be used and are to be useful tools at all, they should be flexible and much more refined, and should not be combined together with commercial real estate loans with vastly different potential for losses.

Lastly, we believe that the final guidance should be devoid of any requirement that would compel an institution to increase its capital levels simply on account of an increase in commercial real estate loans. Appropriate capital levels should be determined based on a thorough analysis of the individual institution. Moreover, any requirement for an institution to hold extra capital should be by regulation in the "risk-based" capital rules, and not by the proposed CRE guidance.

We appreciate the opportunity to comment on this important matter. If you have any questions, please contact the undersigned at (609) 223-8313, or barry.zadworny@romabank.com.

Sincerely,

Barry J. Zadworny
Senior Vice President