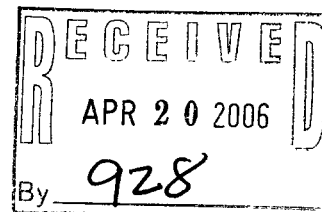


# FIRST CHEROKEE STATE



www.firstcherokeestate.com



April 12, 2006

Robert E. Feldman  
Executive Secretary  
Attention: Comments  
FDIC  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

Re: CRE Lending Guidelines  
Attention: Comments

Dear Mr. Feldman,

Please do not adopt the proposed new CRE guidelines for the following reasons:

- Many banks like mine are in markets where commercial and speculative real estate lending are our "bread and butter". We have very few alternative lending opportunities to support earnings in order to safeguard our capital.
- I have spent 19 years in banking in the North Atlanta market. I have grown up in this market and most of my lending expertise is in CRE. It is neither in my best interest, in the best interest of my bank, nor in the best interest of the industry, for me to attempt to start making other types of loans about which I have much less knowledge.
- My bank underwrites all CRE loans conservatively and thoroughly and we lend only to the well established developers and builders in our market. I am aware that a small number of banks may not be doing as good a job as we are. You should address these problems on a case by case basis rather than penalizing my bank for the misdeeds of others.
- Atlanta market statistics clearly reveal that it is not over built and that our real estate prices have risen modestly compared to other markets. Rather than trying to paint with such a broad brush as the new guidelines would do, I urge you to use the regulatory examination process to closely scrutinize the banks in particular markets that show signs of pending "bubbles".
- You already have at your fingertips present lending standards and regulations to enforce and address unsafe lending practices at problem banks. You don't need new guidelines.
- The proposed new guidelines will place community banks at an unfair disadvantage compared to larger regional banks which already have more opportunity to be more geographically diverse and to lend to more diverse business customers.

I urge you to spend much more time researching and looking for a more suitable solution to what is surely not an industry wide problem but one of particular local markets and particular banks who may not be doing as good a job in CRE lending as they would if they were closely adhering to the regs and guidelines already in place. Please do not adopt these new CRE guidelines. Just enforce what's already there.

Sincerely,

A handwritten signature in cursive script that reads 'Clark Blackwell'.

Clark Blackwell  
Commercial Real Estate Lender

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