

**From:** "Julia A. Bell" <jnbell@firstbank.com> on 04/11/2006 03:30:03 PM

**Subject:** Commercial Real Estate Lending

April 11, 2006

The Federal Reserve Board of Governors  
20<sup>th</sup> Street and Constitution Ave. N.W.  
Washington D.C. 20551

Dear Sirs,

My name is Julia N. Bell. I serve as Senior Vice President of The First Bank & Trust Company located in Johnson City, Tennessee. I am writing to strongly oppose the proposed regulations regarding commercial real estate lending ("Docket No. OP-1248" Commercial Real Estate Proposal). Among the many reasons to oppose this regulation are:

1. This is regulatory overkill and will hurt real estate lending causing an artificial real estate recession.
2. Before imposing regulations across the Board should first "regulate banks that are making risky loans before imposing penalties on the entire industry." To be frank, the lack of regulatory review and action by the Banking Regulators is deeply disconcerting. My impression is that regulators think that capital cures all when in fact credit underwriting and credit quality can mean more in the long run.
3. This regulation will push Banks into making unsecured loans to get around the regulation and thus put the industry at greater risk.
4. Regulatory over reaction to the S&L crisis in the late 1980's and early 1990's in hindsight caused unneeded harm. Do not make the same mistake again.

Our bank does not fear regulation. We do not fear establishing and maintaining credit quality. Do not punish our Bank and many others for doing a good job when you have not dealt directly with the loose cannons and high flyers that do not focus on underwriting and credit quality.

Most Sincerely,

Julia N. Bell, SVP  
The First Bank & Trust Company  
423-282-3850

Julia N. Bell, Senior Vice President  
The First Bank & Trust Company  
1185 N. State of Franklin Road  
Johnson City, TN 37604  
Phone: 423-282-3850  
Fax: 423-282-9066  
Email: [jnbell@firstbank.com](mailto:jnbell@firstbank.com)

Thank you.