

## OFFICE OF THRIFT SUPERVISION

### Approval of Application for Exception From the General Lending Limitation for Nonresidential Real Estate Lending

**Order No.:** 2007-18  
**Date:** May 1, 2007  
**Docket No.:** 12002

Raymond James Bank, FSB, St. Petersburg, Florida (Savings Bank), has submitted an application (Application) to the Office of Thrift Supervision (OTS), pursuant to section 5(c)(2)(B)(ii)<sup>1</sup> of the Home Owners' Loan Act (HOLA), requesting an exception from the general lending limitations for nonresidential real estate lending set forth under section 5(c)(2)(B)(i) of the HOLA and 12 C.F.R. § 560.30. The Savings Bank requests an exemption from the general lending limitation for nonresidential real estate lending to allow the Savings Bank's nonresidential real estate loans to equal up to 600 percent of capital during the four years following the date of this Order.

Under section 5(c)(2)(B)(ii) of the HOLA, OTS may authorize a federal savings association to invest more than 400 percent of its capital in loans secured by nonresidential real property upon a finding that the additional investment poses no significant risk to safe and sound operation of the federal savings association and the investment is consistent with prudent operating practices. Any exceptions that OTS permits under section 5(c)(2)(B)(ii) must be closely monitored to ensure the federal savings association's continued safe and sound operation, as well as regulatory compliance.<sup>2</sup>

As the Savings Bank's regulator, OTS is familiar with the Savings Bank's management and operations. The Savings Bank has experienced personnel managing its nonresidential real estate lending. In addition, the Savings Bank has engaged in this type of lending for several years without raising supervisory objection. Moreover, the Savings Bank has suffered no losses on its portfolio of nonresidential real estate loans for the last 6 years despite a relatively high level of activity. Finally, the Savings Bank projects that its nonresidential real estate lending will only exceed 400 percent of capital for limited periods within the four-year term of the requested exception.

Based on the foregoing, OTS concludes that the proposed increase in nonresidential real estate lending poses no significant risk to the safe and sound operations of the Savings Bank, and is consistent with prudent operating policies. Accordingly, OTS hereby approves the application for an exemption to permit the Savings Bank to engage in nonresidential real estate lending up to 600 percent of its capital for four years from the date of this Order, provided that during the four-year

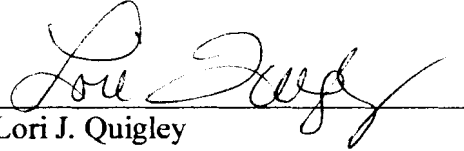
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<sup>1</sup> 12 U.S.C. § 1464(c)(2)(B)(ii).

<sup>2</sup> 12 U.S.C. § 1464(c)(2)(B)(iii).

period the Savings Bank conducts its nonresidential real estate lending in accordance with the information and commitments the Savings Bank has provided during the application process.

By order of the Director of the Office of Thrift Supervision, or his designee,  
effective May 1, 2007.

A handwritten signature in cursive script, appearing to read "Lori J. Quigley", written over a horizontal line.

Lori J. Quigley  
Assistant Managing Director  
Examinations and Supervision - Operations