

# FIRST HOPE BANK

*World-class service, close to home*

August 3, 2012

Office of the Comptroller of the Currency  
250 E Street SW  
Mail Stop 2-3  
Washington DC 20219

Re: Basel III OCC Docket ID OCC-2012-0008, 0009, and 0010

To whom it may concern:

Thank you for the opportunity to comment on the Notice of Proposed Rulemaking (NPR) concerning the changes in the regulatory capital rules. As is outlined in the NPR, this rule would apply to all "banking organizations that are currently subject to minimum capital requirements." Being such an institution, First Hope Bank will be greatly impacted by this proposed rule. This particular comment letter is requesting that the regulatory agencies extend the deadline for providing the comment on the NPRs listed above.

First Hope Bank, OCC Bank Number 10118, is a six branch institution with offices located in northwestern New Jersey. As of June 30, 2012, the Bank had \$409.9 million in assets. Those assets consist primarily of an investment portfolio of \$73.8 million and a loan portfolio, net of the allowance for loan and lease loss, of \$291.8 million. These assets are primarily funded by a deposit base of \$344.1 million, generated from the local community. In addition to providing traditional banking services to the community, the Bank also has a Trust Department providing investment advice and estate services. Furthermore, the Bank operates a wholly-owned mortgage subsidiary providing mortgages throughout New Jersey and several other states. The final subsidiary is an investment subsidiary, First Hope Invescorp, which owns a majority of the investments of the Bank. First Hope Bank is a wholly-owned subsidiary of First Hope Bancorp.

The NPRs referenced by this comment letter are a wholesale change for the banking industry. Inclusion of Loan to Value Ratios in the risk weighting of assets provides some complication in determining the impact of this NPR to First Hope Bank, as questions have arisen regarding specific details of each appraisal. Furthermore, the Bank is debating whether to begin servicing mortgages. With the inclusion of mortgage servicing assets in the definition of capital, Bank management is trying to determine the impact of the NPR on possibly entering this business. These discussions will require some additional time in order to provide a proper response to the NPR. As a result of the required additional time, First Hope Bank respectfully requests that the deadline for comment on the NPR be extended by 90 days.

Thank you for your consideration. If you have any questions concerning this comment letter, please feel free to contact Lewis R Beatty at [lbeatty@firsthope.com](mailto:lbeatty@firsthope.com) or 908-459-6012.

Respectfully,

Handwritten signature of Lewis R Beatty in black ink, consisting of the letters 'L', 'R', and 'B' in a stylized, cursive-like font.

Lewis R Beatty  
Director  
Senior Vice President  
Chief Financial Officer and Cashier

Cc: John McWeeney, President, New Jersey Bankers Association  
Hugh Carney, Senior Counsel, American Bankers Association