August 21, 2009

Mr. Russell Golden
Technical Director
Financial Accounting Standards Board
301 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Via e-mail: director@fasb.org

File Reference: No. 1700-100 Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses

Dear Mr. Golden:

Thank you for the opportunity to comment on the Exposure Draft: Disclosures About the Credit Quality of Financing Receivables and the Allowance for Credit Losses.

New York Community Bancorp, Inc. has assets of $32.9 billion, and is the 24th largest bank holding company in the nation. We are a leading producer of multi-family loans in New York City. The Company has two bank subsidiaries: New York Community Bank, with 178 branches serving customers throughout Metro New York and New Jersey; and New York Commercial Bank, with 36 branches serving customers in Manhattan, Queens, Brooklyn, Long Island, and Westchester County in New York. Our Company has grown through a series of acquisitions, with the Community Bank operating through five local divisions: Queens County Savings Bank in Queens, Roslyn Savings Bank on Long Island, Richmond County Savings Bank on Staten Island, Roosevelt Savings Bank in Brooklyn, and Garden State Community Bank in New Jersey. Similarly, the Commercial Bank operates 17 of its branches under the name Atlantic Bank.

I would like to take this chance to voice some of the concerns our organization has with the proposed new accounting standard.

In summary, the desire for clarity and transparency is always admirable, but must be pursued more cautiously with an eye on the cost of implementation and care to avoid creating an overload of data that might confuse more than assist a reader of the financial statements and standardization in measuring risk that does not properly reflect the characteristics of the credit risk that are unique to each organization.
Any new information to be disclosed must not just be more information but should assist a reader in understanding the impact of relatively new guidance of FASB Statement 141(R) and APCPA Statement of Position No. 03-3 on the credit loss reserve determinations.

The detailed disclosures required every quarter will require additional resources and cost to our Company. Even currently performed analyses must have procedures implemented to conform to stricter standards that would be acceptable for Sarbanes-Oxley. The time frame suggested in the Exposure Draft is of great concern to us. It is much more realistic to expect appropriate compliance, with the establishment of the systems, procedures and controls, for a 2011 rollout of new disclosures.

We are concerned that the prescriptive nature of the guidance will detract from a reader’s understanding and ability to differentiate the qualitative differences amongst reporting entities. In many instances, we experience delays in receiving interest on loans that are fully collateralized based on current market values. Many past due loans have unique characteristics that make ultimate collection of full principal and interest more likely than other delinquent loans. Many borrowers have multiple outstanding loans supporting many different business ventures funded by multiple financial intermediaries. There is often a disconnect between the timing of the payments on a loan and the likelihood of ultimate collectability.

We are also concerned that the level of detailed disclosure available to our borrowers may compromise our ability to successfully negotiate a resolution to delinquent loans. Further, to the extent significant lending relationship with specific borrowers becomes known, we are concerned that detailed disclosure of credit issues may put those borrowers in an adverse situation in that borrowers other business relationships.

Thank you for your attention to these matters and your time and consideration. Please feel free to contact me if you would like to discuss further.

Sincerely,

[Signature]