PRESS RELEASE

Federal Deposit Insurance Corporation

December 23, 2019

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FDIC's Supervisory Insights *Fall 2019* Edition Focuses on Commercial Real Estate Lending and the Leveraged Lending Market

The Federal Deposit Insurance Corporation (FDIC) today issued the Fall 2019 issue of *Supervisory Insights*, which contains two articles of interest to bank management.

The first article, "Commercial Real Estate Loan Concentration Risk Management," examines commercial real estate (CRE) exposure in the banking industry. The article also summarizes findings from recent risk management supervisory activities for FDIC-supervised insured depository institutions (IDIs) with CRE lending concentrations. "This article provides insights into current industry risk management practices. In a competitive lending environment, sound risk management of the CRE portfolio is critical for IDIs that specialize in CRE lending," said Doreen R. Eberley, Director, FDIC Division of Risk Management Supervision.

The second article, "Leveraged Lending: Evolution, Growth and Heightened Risk," provides an overview of the leveraged lending market, discusses the risks associated with leveraged lending, and includes observations regarding current underwriting practices from examinations at state nonmember insured depository institutions and information from the Shared National Credit Program.

This issue of *Supervisory Insights* also includes a "Regulatory and Supervisory Roundup" section, which provides an overview of recently released regulations and other items of interest.

Supervisory Insights provides a forum for discussing how bank regulation and policy are put into practice in the field, promoting sound principles and practices for bank supervision, and communicating about the emerging issues that bank supervisors face. The journal is available on the FDIC's website at www.fdic.gov/regulations/examinations/supervisory/insights.

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