



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

October 20, 2011

Via Email

Andrew J. Schultheis
General Counsel
Sterling Financial Corporation
111 North Wall Street
Spokane, WA 99201

**Re: Sterling Financial Corporation
Post-Effective Amendment No. 6 to Registration Statement on Form S-1 on
Form S-3
Filed October 13, 2011
File No. 333-169579**

Dear Mr. Schultheis:

We have limited our review of your registration statement to those issues we have addressed in our comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to this letter by amending your registration statement and providing the requested information. Where you do not believe our comments apply to your facts and circumstances or do not believe an amendment is appropriate, please tell us why in your response.

After reviewing any amendment to your registration statement and the information you provide in response to these comments, we may have additional comments.

Post-Effective Amendment No. 6 to Form S-1 on Form S-3

Exhibit 5.1

1. Please arrange for counsel to remove the assumption in the third full paragraph of the opinion regarding changes in law affecting the validity of the issuance of the securities that may occur at or prior to the time of delivery of any securities.

Exhibit 5.2

2. We note the last sentence of the opinion in which counsel states that the opinion "is rendered solely to [the board]." Such limitations on reliance are inappropriate since purchasers of the securities in the offering are entitled to rely on the opinion. Refer to

Section II.B.3.d of Staff Legal Bulletin No. 19 (Oct. 14, 2011). Please arrange for counsel to revise the opinion accordingly.

3. We note that the opinion is limited to the law of the jurisdiction governing the warrant agreements. However, counsel must also consider the law of the jurisdiction under which the registrant is organized in order to provide the binding obligation opinion. Please arrange for counsel to either remove the qualification as to jurisdiction or engage local counsel to provide the opinion that the registrant is validly existing, has the power to create the obligation and has taken the required steps to authorize entering into the obligation under the law of the jurisdiction of organization. Refer to Section II.B.1.e and f of Staff Legal Bulletin No. 19.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes the information the Securities Act of 1933 and all applicable Securities Act rules require. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

Notwithstanding our comments, in the event you request acceleration of the effective date of the pending registration statement please provide a written statement from the company acknowledging that:

- should the Commission or the staff, acting pursuant to delegated authority, declare the filing effective, it does not foreclose the Commission from taking any action with respect to the filing;
- the action of the Commission or the staff, acting pursuant to delegated authority, in declaring the filing effective, does not relieve the company from its full responsibility for the adequacy and accuracy of the disclosure in the filing; and
- the company may not assert staff comments and the declaration of effectiveness as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

Please refer to Rules 460 and 461 regarding requests for acceleration. We will consider a written request for acceleration of the effective date of the registration statement as confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. Please allow adequate time for us to review any amendment prior to the requested effective date of the registration statement.

Andrew J. Schultheis
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Please contact Matt McNair, Staff Attorney, at (202) 551-3583 or me at (202) 551-3434 with any questions.

Sincerely,

/s/ Michael R. Clampitt

Michael R. Clampitt
Senior Counsel

cc: Sarah K. Solum, Esq.
Davis Polk & Wardwell LLP