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From: David Lawrence [srvpgc@hotmail.com]
Sent: Thursday, April 01, 2004 5:42 PM
To: regs.comments@occ.treas.gov; regs.comments@federalreserve.gov; comments@fdic.gov;
regs.comments@ots.treas.gov
Subject: Proposed CRA Regs.

April 1, 2004

Dear Officials of Federal Bank and Thrift Agencies:

As a banking customer in Juneau, Alaska, I would like to urge you to change your proposed Community Reinvestment Act (CRA) regulation before finalizing it. I believe you need a stronger predatory lending standard and I believe you should keep the small bank definition as it is at \$250 million in assets.

I do not sympathize with disreputable lenders who do what you call "asset-based lending" and try to force borrowers into foreclosure so they can take over their homes. However, there are many other ways that seemingly good banks take advantage of customers who don't understand the loan process. I urge regulators to use the CRA exams to penalize lenders who push high cost loans with high fees and those who get people into a bad loan and then try to flip them into an even worse loan. I also dislike prepayment penalties that keep people from getting out of bad loans and single premium credit insurance policies that cost a lot but don't really help the customer. The possibility that you will lower a bank's CRA rating when they act in this way will discourage this negative behavior.

The larger banks are getting so big that they seem to have minimal interest in smaller borrowers, so I hope you will pay more attention to the smaller banks. They can do more if the regulators would only encourage the larger of the small banks to support community development lending and investments in smaller communities. Keeping them on the large bank CRA exam will do more to encourage reinvestment in the community than letting them take the small bank exam does. I'm asking you not to raise the asset threshold definition of a small bank.

I also support the position of the National Community Reinvestment Coalition.

Thank you very much for paying attention to my concerns.

Sincerely,

David A. Lawrence
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