

Evans, Sandra E

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From: Betty Folliard [bfolliard@strategypartners.biz]
Sent: Friday, April 02, 2004 10:04 AM
To: regs.comments@ots.treas.gov
Subject: CRA Regulations

Regulation Comments, Attention: No. 2004-04
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street NW
Washington DC 20552

Dear Officials of Federal Bank and Thrift Agencies:

As a banking customer 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.

Rip-off lenders who do what you call "asset-based lending" try to force borrowers into foreclosure so they can take over their homes. However, there are a whole bunch of other ways that seemingly good banks take advantage of customers who don't understand the loan process. The regulators should use the CRA exams to penalize lenders who push high cost loans with high fees and those who get you into a bad loan and then keep you from getting out of a bad loan and single premium credit insurance policies that cost a lot but don't really help the customer are simply wrong. Lower a bank's CRA rating when they partake in illegal practices.

Please pay more attention to smaller banks. They can do more if the regulators will 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. Please help communities help themselves.

Thank you very much for paying attention to my concerns.

Sincerely,

Betty Folliard
Former MN State Representative
4220 Woodland Trail
Golden Valley MN 55422