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Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street NW
Washington, DC 20552

Attention: No. 2004-53 & 2004-54

To whom it may concern:

The proposal contradicts the purpose of the Community Reinvestment Act (CRA) because it will significantly reduce the amount of community development financing and thrift services in low- and moderate-income communities. The proposal allows large thrifts themselves to design watered down CRA exams, allowing them to serve affluent neighborhoods therefore neglecting low to moderately income neighborhoods.

Under the proposal, a large thrift can choose to eliminate its investment and service tests, thus only having to pass a lending test, meaning that the lending test can count for virtually all of the total grade.

The large thrifts therefore can get away with neglecting community needs. They will not be required to finance affordable rental housing or small business investments. With no service tests, the thrifts can ignore the needs for remittances and other low cost banking services.

Under the Community Reinvestment Act, banks and thrifts have an affirmative and continual obligation to serve the low to moderate income communities. Your proposal allows large thrifts to respond to only a few community needs instead of all the needs.

In addition, Congress enacted CRA in order to eliminate redlining and disinvestment in low to moderately income communities; under this proposal, large thrifts will suffer no penalty. This proposal threatens the gains in community revitalization made possible through the CRA. Please withdraw your proposal.

Sincerely,



Gladys B. Spikes

Housing Opportunities of Northern Delaware, Inc.

cc. National Community Reinvestment Coalition