

From: Ginger Hitzke [ginger@affirmedhousing.com]

Sent: Tuesday, December 14, 2004 12:03 PM

To: Comments, Regs

Subject: CRA

Affirmed Housing Group, a developer of affordable housing for California's workforce, opposes the proposed rule change to the Community Reinvestment Act (No. 2004-53). The proposal would allow large savings and loans to opt out of complying with investment and banking services examinations under the CRA. These exams have been very useful in encouraging investment in low income housing and services to low income people. The proposal would also allow thrifts in rural areas to serve any income population, while the CRA was established to direct resources to low and moderate income communities.

The Community Reinvestment Act has been one of the most useful tools for securing financing for affordable rental communities targeted to very low and low income households. While proponents of changes to the Act may argue that expanding the Act to include any income population, the reality is, there will be less incentive to house those of the most modest means - the workforce that is rapidly being priced out of decent housing every day in California.

We strongly oppose the proposed changes.

Sincerely,

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