



Neighborhood Economic Development Corporation

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January 21, 2005

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

Attention: No. 2004-53 & 2004-54

Dear Sirs/Madams:

Your proposal on CRA will result in considerably less community development financing and basic banking services in low- and moderate-income communities. You would allow thrift institutions to design their own watered-down Community Reinvestment Act (CRA) exams. The thrifts could eliminate the investment and service parts of the CRA exam, meaning that you would not require them to make investments in or provide branches to low- and moderate-income communities. At the same time, your proposal would allow thrifts to finance community development of affluent communities, not lower income neighborhoods, in rural areas and areas afflicted by natural disasters contrary to the purpose of CRA to combat redlining of low- and moderate-income communities. You also propose to reduce opportunities for community groups and citizens to meet with thrifts and your agency to discuss CRA and anti-predatory lending issues when thrifts are merging.

Please withdraw your proposal. It is very ill-conceived and reveals a cynical attitude about investment in low and moderate income communities.

Sincerely,

Karen LaFrance
Executive Director

cc. National Community Reinvestment Coalition