WASHINGTON BUREAU · NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE
1156 15TH STREET, NW SUITE 915 · WASHINGTON, DC 20005 · P (202) 463-2940 · F (202) 463-2953
E-MAIL: WASHINGTONBUREAU@NAACPNET.ORG · WEB ADDRESS WWW.NAACP.ORG

STATEMENT OF MR. HILARY SHELTON

DIRECTOR, NAACP WASHINGTON BUREAU

ON PRESERVING THE AMERICAN DREAM:

PREDATORY LENDING PRACTICES AND HOME FORECLOSURES

before the

SENATE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

February 7, 2007

Good morning. My name is Hilary Shelton and I am the Director of the National Association for the Advancement of Colored People Washington Bureau, the federal public policy arm of our nation's oldest, largest and best-known grassroots civil rights organizations.

I would like to begin by thanking our good friend Senator Dodd and the other members of this committee for holding this hearing. By making predatory lending the subject of one of the very first hearings held by this committee in the 110th Congress, you are giving it the attention it deserves. We look forward to working diligently with you on this issue over the course of the next few years.

I am here today because predatory lending is unequivocally a major civil rights issue.

As study after study has conclusively shown, predatory lenders target African Americans, Latinos, Asians and Pacific Islanders, Native Americans the elderly and women at such a disproportionate rate that the effect is devastating to not only individuals and families, but whole communities as well. Predatory lending stymies families' attempts at wealth building, ruins people's lives and, given the disproportionate number of minority homeowners who are targeted by predatory lenders, decimates whole communities.

High concentrations of subprime lending in predominantly racial and ethnic minority neighborhoods and racial disparities in subprime lending exist in all regions of the nation. And, while not all subprime loans are predatory (indeed the NAACP recognizes the benefits of the subprime market to a constituency which includes many without a strong traditional credit history), it is estimated that the vast majority of predatory loans, or those with onerous fees and / or conditions, exist in the subprime market.

A study put out late last year by the Center for Responsible Lending demonstrated that for most types of subprime home loans, African American and Latino borrowers are more than 30% more likely to have higher rate loans than Caucasian borrowers, even after accounting for differences in risk[1]. Moreover, a study released just last month showed that high-income African American and Latino borrowers in the Boston are were six to seven times more likely to have an expensive mortgage than Caucasians in the same income bracket in 2005[2]. Given that few would argue that Boston is, most likely, indicative of the rest of the nation, this study clearly refutes arguments that subprime lending and predatory features are introduced solely across economic lines to mitigate risk.

It is important to recognize that almost seven years ago a study by the U.S. Department of Housing and Urban Development clearly demonstrated that many people of color could qualify for more affordable loans than they were receiving which in turn would enable them to maintain and build additional wealth. In 1996, a study by Fannie Mae and Freddie Mac reported that as many as a third of the families who receive subprime loans actually qualify for prime loans[3]. Unfortunately, prime lending institutions continue to under serve people of color and whole communities occupied predominantly by racial or ethnic minorities.

Perhaps even more problematic is that despite the fact that blatant racial bias, and its debilitating effects, have been clearly demonstrated and well documented, little has been done; the disparities continue.

In fact, according to the most recent data available, in 2005 African Americans were 3.2 times more likely to receive a higher cost, subprime loan than their Caucasian counterparts; Latinos were 2.7 times more likely to receive a higher rate loan than white borrowers[4].

The bottom line is that predatory lending is making homeownership more costly for African Americans and other racial and ethnic minorities, as well as women and seniors than for whites and middle class families.

Given that homeownership is one of the most reliable ways for economically disadvantaged populations to close the wealth gap, one direct result of this unfair and immoral discriminatory practice is that it is harder for African Americans and other racial and ethnic minorities to build wealth or pass any material possessions on to their heirs.

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[1] Center for Responsible Lending. May 31, 2006. "*Unfair Lending: The effect of Race and Ethnicity on the Price of Subprime Mortgages*" Debbie Gruenstein Bocian, Keith Ernst and Wei Li.
[2] Massachusetts Community and Banking Council. January 2007. "*Borrowing Trouble VII: Higher Cost Mortgage-Lending in Boston, Greater Boston, and Massachusetts in 2005*" Jim Campben
[3] Freddie Mac. September 1996. *Automated Underwriting: Making Mortgages Lending Simpler and Fairer for America's Families. Washington DC*
[4] Robert B. Avery, Kenneth P. Brevoort and Glen B. Canner, "*Higher Priced Home Lending and the 2005 HMDA Data*," Federal Reserve Bulletin, amended September 18, 2006.

Predatory lending is a direct attack on our financial security and economic future; an attack that is targeted at individuals and communities because of the color of our skin.

I would like to take a moment to discuss with the committee one type of predatory loans that has become increasingly worrisome as of late.

Specifically, over 80% of home loans made in the subprime market today are adjustable rate mortgage (ARMs) loans and the so-called "2/28" or "3/27" mortgages are the dominant product.

This is important since over half of the loans made to African Americans in 2005 and four out of ten made to Latino homeowners were subprime loans[5]. Geographic concentrations of 2/28s in certain neighborhoods and communities of color have led to spikes in foreclosures and attendant community disinvestment.

Unlike most ARMs in the prime market, the short-term fixed rate on 2/28s and other, similar loans is typically artificially low. When the loan adjusts after the initial two year period subprime borrowers face enormous "payment shock", with mortgage payment increases in a typical 2/28 loan of up to or over 50% monthly.

Combined with other features typical of 2/28s, such as prepayment penalties[6] and the lack of escrows, 2/28s have the very real potential to place homebuyers in financial crisis.

Over the next two years, an estimated $600 billion in subprime mortgages will reset from the two-year teaser rates and many borrowers, including an overrepresentation of African Americans and Latinos, will face a significant increase in their monthly payments[7].

The impact this will have on whole neighborhoods and communities predominantly populated by African Americans, Latinos and other racial and ethnic minority Americans will be nothing short of devastating. A report issued last year by the Center for Responsible Lending estimated that 1 out of every 5 mortgages that originated during the last two years will end in foreclosure[8].

To date, the federal government has be largely inattentive to the problems surrounding predatory lending, and in fact some of the rules and proposals we

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[5] Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act data for 2005

[6] According to the Center for Responsible Lending, 70% of subprime mortgages feature prepayment penalties. For a family with a $150,000 mortgage at an interest rate of 10%, a typical prepayment penalty imposes a fee of $6,000 for an early payoff (which includes refinancing). This amount is more than the entire net worth of the median African American family.

[7] Jonathan R. Liang, *Coming Home to Roost*, BARRONS (New York, NY), February 13, 2006

[8] Center for Responsible Lending. December, 2006. "*Losing Ground: Foreclosures in the Subprime Market and their Cost to Homeowners*" Ellen Schloemer, Wei Li, Keith Ernst and Kathleen Keest.

have seen in the last few years appear to go backward and take away some of the few protections we have gotten at the state level.

This flies in the face of the NAACP's belief that the primary responsibility of the government is to protect its citizens, all of its citizens, not to exploit them for the gain of a few.

As our elected representatives the NAACP calls on Congress to enact an aggressive and effective federal law, and to soundly reject attempts at addressing predatory lending that will not resolve the underlying problems and will, in fact, roll back the few protections that a few states have put into place.

Because I was asked to speak to you today on behalf of the national civil rights community, I would like permission to include in the record three documents which are attached to my written testimony. The first two were both prepared by the fair housing subcommittee of the Leadership Conference on Civil Rights (LCCR), of which the NAACP is a proud and active member. The first article outlines our position on federal predatory lending legislation and outlines some elements that we consider to be essential in any effective proposal. The second paper expands on our concerns about 2/28 and other exploding ARMS.

The last attachment is a letter that was sent just this morning to Chairman Dodd and Ranking Member Shelby, as well as the Chairman and Ranking Member of the House Banking Committee. This letter was signed by approximately 200 national and state civil rights, consumer, and housing rights groups including the NAACP and it lays our some of our primary goals in any anti-predatory lending legislation this year.

Thank you again, Chairman Dodd and members of this committee for holding this hearing and for taking the time today to take a serious look at the very real problems associated with predatory lending. As I mentioned earlier, the NAACP stands ready to work with you on aggressive, comprehensive legislation to address this very real civil rights scourge.

LCCR POSITION PAPER
ON PREDATORY LENDING LEGISLATION

October 2006

THREATS TO THE HOMEOWNERSHIP AND FINANCIAL SECURITY OF DIVERSE POPULATIONS

Today, too many individuals and families are targeted for abusive home loans that strip away their hard-earned home equity and put their homes at a high risk of foreclosure. People of color are at greater risk of losing hard-earned wealth—and even their homes—as a result of high-cost, risky lending and abusive servicing. These predatory practices also disproportionately impact the disabled, seniors and female headed-households.

Many people of color could qualify for more affordable and fair loans that would enable them to maintain and build additional wealth. Unfortunately, many prime lending institutions continue to underserve people of color. Although some in the subprime lending industry have claimed that factors such as income and credit histories account for racial disparities, credible reports and studies which control for these factors refute these claims. As early as 2000, HUD found that African-American families living in upper-income neighborhoods were more likely to receive subprime loans than white families living in low-income neighborhoods.[i] Fannie Mae and Freddie Mac report that as many as a third of the families who receive subprime loans actually qualify for prime loans.[ii] Two reports issued in May this year have shown that African-American and Latino individuals and families are much more likely to receive high interest rate loans than white individuals and families, even with the same credit profile.[iii]

While clearly not all subprime lending is predatory, a significant share of predatory lending takes place in the subprime market. Although there are predatory lenders in the prime market as well, predatory lending in the subprime market is particularly destructive to minority and other vulnerable communities. Subprime loans not only cost more over time, but can strip away wealth that has already been earned. Large fees and prepayment penalties, which are rare in the prime mortgage market, are much more common on subprime loans. Many subprime homeowners are put into loans they cannot possibly afford to repay by lenders and mortgage brokers.[iv] This happens in part because both have strong market incentives to push such loans. For example, mortgage brokers receive large bonuses—called yield spread premiums—for putting families in loans with higher interest rates when they qualify for lower-cost loans.

All of these onerous terms and abusive practices dramatically increase the risk of foreclosure. According to a study by the University of North Carolina, one in five families that received a subprime refinance home loan in 1999 had entered foreclosure at least once by 2004. In jurisdictions where lenders are permitted to begin foreclose without judicial review (roughly half the states[v]) borrowers have little to no recourse to protect themselves other than to delay the foreclosure process by declaring bankruptcy.

Essential Elements of Predatory Lending Legislation

Any predatory lending law should include these essential provisions:

Effective rights and remedies: These include: (1) the availability of a private right of action and class actions, which are often the only effective way to gain appropriate remedies to these abusive practices and deter bad actors; (2) strong remedies and penalties for abusive acts; (3) effective assignee liability so that borrowers can bring their claims against those who buy, service, securitize or collect (including foreclose) on their loans; and (4) prohibitions on mandatory arbitration clauses that weaken victims' legal rights and prevent them from bringing claims to a court of law. Without these fundamental procedural protections, any substantive consumer protection rules are unenforceable. There needs to be greater accountability for all players in the mortgage industry.

Prohibitions against steering: Steering borrowers to loans with interest rates far higher than they qualify for is very costly for people of color, and must be prohibited for all home loans.

A suitability standard: Many borrowers are being placed in loans they cannot possibly afford to repay. Lenders and mortgage brokers should ensure that a loan is suitable for the borrower's objectives and circumstances.[vi]

"High-cost" must include all loan fees: Predatory lending laws typically define high-cost loans and provide protections for those loans that are the most likely to be subject to abuse. To provide effective protections for these loans, the definition of a high-cost loan must include all of the different loan fees that lenders and brokers charge, including prepayment penalties and yield spread premiums.

No federal preemption: The majority of states have passed laws to address predatory lending. Many of these laws have been highly effective in reducing abusive lending without impeding access to credit. In order to protect states from increasing claims of preemption, any federal law must permit states to enforce their own laws. State protections have a proven track record, such as requiring counseling before borrowers are sold a high-cost loan and curbing prepayment penalties on subprime loans. Historically, federal laws have set floors for protections, and states have been able to build on these federal protections.[vii] In this area of mortgage lending it is especially important that state authority be preserved, as abusive lenders rapidly develop new abusive tactics that will not be addressed by any federal law.

Advance disclosure of costs and fees: Too often borrowers discover at the closing table that the terms and conditions of their loan have changed. At this point, it is often difficult for the borrower to negotiate a return to the original deal or to postpone the closing to allow for further discussions with the lender. All lenders should be required to provide at least seven (7) days prior to closing, the final terms, conditions and costs of the loan to the borrower. This disclosure should also include any costs and fees associated with servicing.

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[i] For example, one study by HUD in 2000 found that as much as one-half of refinance loans made in predominately black neighborhoods are subprime. U.S. Department of Housing and Urban Development and U.S. Treasury Department. 2000. *Curbing Predatory Home Mortgage Lending.* Washington, DC: U.S. Department of Housing and Urban Development.

[ii] See, e.g. Freddie Mac. Automated Underwriting: Making Mortgage Lending Simpler and Fairer for America's Families. Washington, D.C. September 1996. See also Anthony Pennington-Cross, Anthony Yezer, and Joseph Nichols, Credit Risk and Mortgage Lending: Who Uses Subprime and Why? Washington, D.C.: Research Institute for Housing America, Working Paper 00-03 (finding that probability of African American borrower receiving subprime loan increased by 1/3 compared with white borrower, controlling for risk).

[iii] Debbie G. Bocian, Keith S. Ernst and Wei Li, *Unfair Lending: The Effect of Race and Ethnicity on the Price of Subprime Mortgages*, Center for Responsible Lending (May 31, 2006); Allen J. Fishbein, Patrick Woodall, *Exotic or Toxic? An Examination of the Non-Traditional Mortgage Market for Consumers and Lenders*, Consumer Federation of America (May 2006)

[iv]The most common subprime loan, known as a "2/28," has a low rate for the first two years and then monthly payments increase by 40-50%, even if market interest rates do not go up. Most families cannot absorb this large payment shock, and their homes are put at risk of loss.

[v] NCLC Repossessions and Foreclosures Manual, Appendix (5th ed. 2002 and Supp. 2004).

[vi] Many professions require practitioners to serve their clients best interests. For example, investment advisors are required to sell only suitable products to their clients. Similarly, state-licensed real estate agents work explicitly for the seller or buyer.

[vii] For example, the Fair Housing Act states that "nothing in the Act will be construed to invalidate or limit any law of a State or political subdivision of a State." 42 U.S.C. § 3615.

2/28s and Other Exploding ARMS

What are 2/28s?

Over 80 percent of home loans made in the subprime market today are adjustable rate mortgage (ARM) loans and 2/28's are the dominant product. The 2/28 stands in contrast to the well-known 30-year fixed rate mortgage. Instead, a 2/28 mortgage product features an initial short-term fixed rate for two years, followed by rate adjustments, generally in six-month increments for the remaining 28 years of the loan.[vii]

Unlike most ARMs in the prime market, the short-term fixed rate on the subprime loan is typically artificially low. When the loan adjusts after the initial two year period, in the case of the 2/28, subprime borrowers face enormous "payment shock," with mortgage payment increases of up to and over 50% monthly. Most subprime lenders qualify borrowers for ARMS at or near the introductory interest or teaser rate, rather than to the "fully indexed rate" that will apply once the rate resets. The fully indexed rate is determined by adding a fixed amount, or "margin," to a market index such as LIBOR (London Interbank Offered Rate). Because the margin is so large, borrowers with subprime 2/28s face a payment increase of up to 50 percent within a few months after the initial adjustment, even if interest rates do not rise. Combined with other features typical of 2/28s, such as prepayment penalties[vii] and the lack of escrows, 2/28s could place subprime borrowers in extreme financial crisis. These characteristics mean that 2/28s are essentially the equivalent of balloon mortgages, and have led some to describe them as "exploding" mortgages.

2/28s and Other Exploding Mortgages Are Hurting Communities of Color

These loans destroy families and communities of color by stripping them of vital home equity. Geographic concentrations of 2/28s in certain neighborhoods and communities of color have led to spikes in foreclosures and attendant community disinvestment. According to the most recent HMDA data issued by the FRB, over half of loans to African-American borrowers and four in ten loans to Latino borrowers were subprime loans.[vii] The overwhelming majority of subprime loans—over two-thirds-- are 2/28s or 3/27s. Therefore a high percentage of African-American and Latino homeowners who received subprime loans have 2/28 or 3/27 mortgages.

These mortgage products often lack escrows and include harsh "prepayment penalties." [vii] These penalties box borrowers into high-rate loans, even if the borrower had good credit at origination or after the borrower has bettered her/his credit and wishes to refinance. For example, for a family with a $150,000 mortgage at an interest rate of 10 percent, a typical prepayment penalty imposes a fee of $6,000 for an early payoff – an amount *greater than the entire net worth of the median African-American family*.[vii] Moreover, according to an analysis by the Center for Responsible Lending, borrowers residing in zip codes whose population is at least 50 percent minority are 35 percent more likely to receive loans with prepayment penalties than financially similar borrowers in zip codes where minorities make up less than 10 percent of the population.[vii]

Over the next two years, an estimated $600 billion in subprime mortgages will reset from the two-year teaser rates and many borrowers, including an overrepresentation of African-Americans and Latinos, will face a significant increase in their monthly payments.[vii] Opportunities to refinance will become much more limited as interest rates rise and housing appreciation continues to slow. Opportunities to get out of these detrimental loans are also limited by the prevalence of prepayment penalties that deter borrowers from refinancing.

Instead, many of these loans will lead to devastating foreclosures. In a recent report, the Center for Responsible Lending estimated that nearly one out of five (19 percent) subprime mortgages originated during the past two years will end in foreclosure. The report observed a higher risk of foreclosure for adjustable-rate mortgages (ARMs) compared with fixed-rate mortgages, finding that the foreclosure risk for ARMs was 62 percent to 123 percent higher, depending upon the year the loan was originated.[vii]

Agencies and CSBS Should Clarify that Their Guidance Covers Exploding ARM Mortgages

On September 29, 2006, U.S. banking regulators[vii] issued interagency guidance on non-traditional mortgage product risks that require lending institutions to improve underwriting standards for interest-only and payment option ARMs by taking into consideration a borrower's ability to repay loans once introductory rates and terms no longer apply.[vii]

The agencies should clarify that 2/28, 3/27 and other exploding ARM loans are covered by the recent interagency guidance. In addition, because the interagency guidance does not apply to most subprime lenders because they are not regulated by these federal agencies, the CSBS should also clarify its guidance. The Center for Responsible Lending estimates that the lenders who are not subject to safety and soundness oversight by the federal agencies (and therefore are not subject to the recent guidance) made 58% of all first-lien subprime home loans in 2005.[vii]

Federal Reserve Should Exercise Its Discretionary Authority under HOEPA

The Federal Reserve should also exercise its discretion as the agency with rule-making authority under the Home Ownership and Equity Protection Act (HOEPA) to limit the use of subprime exploding ARM mortgages.[vii] HOEPA provides broad authority to prohibit unfair or deceptive mortgage lending practices and to address abusive refinancing practices on all mortgage loans, not only high-cost loans. However, the Federal Reserve has never exercised this authority. By issuing a regulation under HOEPA, the Federal Reserve would ensure that all subprime mortgage loans in the country were subject to the same rules.

February 5, 2007

The Honorable Barney Frank
Chairman
House Financial Services Committee

The Honorable Spencer Bachus
Ranking Member
House Financial Services Committee

The Honorable Chris Dodd
Chairman
Senate Banking Committee

The Honorable Richard Shelby
Ranking Member
Senate Banking Committee

Dear Chairman Dodd, Chairman Frank, Ranking Member Bachus and Ranking Member Shelby:

Homeownership is the most accessible tool available to help families achieve a secure economic future, but today market failures and abusive lending practices are stripping the benefits of homeownership from millions of families **throughout the mortgage market.** The epidemic of home losses on subprime mortgages—as many as one in five— is a wake-up call, providing strong evidence that the current system of mortgage regulation is seriously flawed. To preserve homeownership for American families, we need real, systemic change embodied in policies that protect the **sustainability of homeownership**. Below, we outline a policy framework that would drive effective solutions to preserve the traditional benefits of owning a home. Our views represent those of many consumer, civil rights, and community groups, as well as a number of responsible mortgage lenders.

As Congress begins a new session, we respectfully ask that any new anti-predatory lending legislation be based on the following principles:

- **Restore sensible underwriting and eliminate unsustainable loans;**
- **Eliminate incentives for lenders to steer borrowers to abusive loans;**
- **Require accurate and accountable loan servicing;**
- **Ensure effective rights and remedies for families caught in predatory loans;**
- **Preserve essential federal and state consumer safeguards; and**
- **Reduce foreclosures through assistance to distressed borrowers.**

S**ustainable loans.** <u>Many lenders have abandoned careful lending standards to make loans that borrowers cannot repay without refinancing or selling their home</u>. As a result of this weak underwriting, an increasing number of homeowners are unable to keep up with their mortgage payments. High-risk adjustable rate (ARMs) mortgages, which are underwritten to a low teaser payment instead of to the fully indexed rate, are an example of this problem. Studies show that today's subprime mortgages typically include features that increase the chance of foreclosure *regardless of the borrower's credit.* This has caused many families to default on unnecessarily risky loans and lose their homes. Other families are forced to refinance and pay associated fees or sell their home. *Responsible lending demands a realistic analysis of the borrower's ability to repay the loan based on all its terms*.

Incentives for fair loans. <u>The subprime market now rewards lenders and brokers who charge borrowers excessive points and fees or channel them toward riskier loan products</u>. Unknown to most borrowers, brokers receive payments known as "yield spread premiums" for selling loans at a higher interest rate than the lender requires. Most subprime mortgages also include prepayment penalties, which can cost families thousands of dollars when they refinance or pay off their loans early. Too often the borrower does not receive a lower interest rate in exchange for the prepayment penalty. In the inefficient subprime market, prepayment penalties are simply another method of stripping home equity or trapping borrowers in costly loans. These fees are only appropriate when they are in exchange for a real benefit to the borrower. A law to sustain homeownership must prohibit brokers and lenders from steering borrowers into mortgages with excessive costs.

Accountable loan servicing. <u>Companies that collect payments on mortgages—loan servicers—have tremendous influence on the success of the loan</u>. Servicer errors and unfair practices in recent years have contributed to the recent surge in foreclosures. Problems typically arise when loan servicers impose costly and unnecessary hazard insurance or delay crediting mortgage payments so that they can charge costly late fees to the homeowner. As it stands now, mortgage servicers have incentives to profit from loan defaults. In a healthy and truly competitive market, loan servicers would charge reasonable fees and support homeowners' efforts to avoid foreclosure.

Basic rights and remedies. <u>Victims of abusive lending practices have very little recourse because industry often uses its market power to limit homeowners' access to justice</u>. To be effective, consumer protection laws must: (1) give families a private right of action, the right to pursue class actions, and defenses against collection and foreclosure, which are often the only effective way to deter bad actors; (2) contain strong remedies and penalties for abusive acts; (3) provide effective assignee liability so that borrowers can pursue legitimate claims even when the originator has sold their loan; and (4) prohibit mandatory arbitration clauses that weaken victims' legal rights and deny them access to seeking justice in a court of law. Without these fundamental procedural protections, other consumer protection rules are unenforceable.

Preserve and advance existing protections. Current laws contain certain essential consumer protections designed to address some of the egregious practices in the mortgage industry, and these protections must be preserved. In particular, the majority of states have passed laws that have been highly effective in curbing abusive lending practices without hampering borrowers' access to credit. Any new law must build on these protections, bearing in mind that real estate markets vary significantly in different locations, and that states are in the strongest position to address new lending abuses that evolve over time. Legislative solutions must also preserve protections for families outside the mainstream real estate market—for example, those who use alternative ownership options such as mobile and manufactured housing and seller-driven financing; are credit impaired; have limited or no credit histories; have limited English skills; or are located in high-poverty areas.

Reduce skyrocketing foreclosures. Any new law should preserve the benefits of homeownership by assisting homeowners already in distress. Recent research shows that as many as one out of five subprime mortgages made in recent years will end in foreclosure. In addition to strengthening the market to benefit future borrowers, legislation should address the increasing numbers of existing homeowners who risk losing their home. Federal legislation could build on successful state models to provide affordable homeownership preservation loans to borrowers who are in default due to circumstances beyond their control.

* * * * *

We welcome legislation that, based on the principles outlined above, contains effective solutions to current problems and allows rapid responses to emerging abuses. We look forward to working with you on the critical issue of preserving the benefits of homeownership, and we thank you for your time and consideration.

Sincerely,

AARP
AFL-CIO
American Council on Consumer Awareness
Association of Community Organizations for Reform Now (ACORN)
Center For Responsible Lending
Coalition of Community Development Financial Institutions
Consumer Action
Consumer Federation of America
Consumer's Union
International Union, United Auto Workers.
Leadership Conference on Civil Rights
NAACP (National Association For The Advancement of Colored People)
NAACP Legal Defense & Educational Fund, Inc.
National Association of Consumer Advocates
National Consumer Law Center (on behalf of it's low-income clients)
National Council of La Raza

National Fair Housing Alliance
National Lawyers' Committee for Civil Rights Under Law
National People's Action
National Training and Information Center
Rainbow/ Push
U.S. Public Interest Research Group
Affordable Housing Education and Development, Inc. (NH)
Alaska Public Interest Research Group
Alexandria Affordable Housing Corporation (LA)
Allen Neighborhood Center (MI)
American Community Partnerships (DC)
American Friends Service Committee NH Program, (NH)
Arizona Consumers Council
Arizona PIRG
Birmingham Business Resource Center, (AL)
Border Fair Housing & Economic Justice Center (TX)
Cabrillo Economic Development Corp. (CA)
California Reinvestment Coalition
Cambridge Consumers' Council
CATCH Neighborhood Housing (NH)
Ceiba Housing and Economic Development Corp. (Puerto Rico)
Center for Consumer Affairs (WI)
Center for Social Concerns, University of Notre Dame
Champaign County Health Care Consumers (IL)
Cherokee Nation (OK)
Chicago Consumer Coalition
Cincinnati Change (OH)
Civil Justice, Inc
Coastal Enterprises, Inc. (ME)
Codman Square Neighborhood Development Corp. (MA)
Colorado Rural Housing Development Corporation (CA)
Columbia Consumer Education Council (SC)
Community Development Corporation of Long Island, Inc. (NY)
Community Enterprise Investments, Inc. (FL)
Community Frameworks (WA)
Community Housing Development Corporation of North Richmond
Community Housing Partners Corporation (VA)
Community Law Center
Community Law Center, Inc. (MD)
Community Neighborhood Housing Services, Inc. (MN)
Community Reinvestment Association of North Carolina (NC)
Consumer Federation of California
Consumer Federation of Southeast
Corporation for Enterprise Development (DC)
Cuyahoga County Foreclosure Prevention Program

Dayton Community Reinvestment Coalition (OH)
Delaware Community Reinvestment Action Council, Inc. (DE)
Department of Sociology and Anthropology, IU South Bend
Detroit Alliance for Fair Banking (MI)
Durham Community Land Trustees (NC)
East Akron Neighborhood Development Corporation Inc. (OH)
Empire Justice Center
Enterprise Corporation of the Delta/HOPE (MS)
Fair Housing Council of the San Fernando ValleyHousing Research & Advocacy Center (out of Cleveland)
Fort Berthold Housing Authority (ND)
Foundation Communities (TX)
Frontier Housing, Inc. (KY)
Greater Rochester Community Reinvestment Coalition (NY)
Hamilton County Community Reinvestment Group (OH)
Hawaiian Community Assets (HI)
HEED (MS)
Home Management Resources
Homeward, Inc. (IA)
Housing and Credit Counseling, Inc.(KS)
Housing Assistance Program of Essex County, Inc. (NY)
Housing Education Program (CA)
Housing Opportunities Made Equal of Virginia, Inc.
Housing Partnership of Northeast Florida, Inc. (FL)
Indiana Association for Community Economic Development (IN)
Inglewood Neighborhood Housing Services, Inc. (CA)
Jacksonville Area Legal Aid, Inc.
Jewish Community Action, (MN)
Joseph Corporation of Illinois, Inc. (IL)
Justine Petersen Housing & Reinvestment Corporation (MO)
Kensington-Bailey Neighborhood Housing Services, Inc. (NY)
Knox Housing Partnership, Inc. (TN)
LaCasa of Goshen, Inc. (IN)
Latino Leadership, Inc. (FL)
Lawyers' Committee For Civil Rights Under Law of the Boston Bar Association (MA)
Long Island Housing Services, Inc. (NY)
Louisiana CRA Coalition (LA)
Madison Park Development Corporation (MA)
Manna, Inc. (DC)
Mass Consumers’ Coalition
MassPIRG
Metropolitan Housing Coalition (KY)
Metropolitan Milwaukee Fair Housing Council (WI)
Metropolitan St. Louis Equal Housing Opportunity Council (MO)
Miami-Dade Neighborhood Housing Services, Inc. (FL)

Michigan Community Reinvestment Coalition, (MI)
Micronesia self-Help Housing Corporation
Mission Economic Development Agency (MEDA
Monmouth County Fair Housing Board, (NJ)
Montgomery Housing Partnership (MD)
Mountain State Justice, Charleston, W.V.
National Association of Community Economic Development Associations (MD)
National Community Reinvestment Coalition
National NeighborWorks Association (DC)
Native American Health Coalition (TX)
Navajo Housing Authority (AZ)
Nehemiah Community Reinvestment Fund, Inc. (CA)
Neighborhood Housing Partnership of Greater Springfield, Inc. (OH)
Neighborhood Housing Services of Baltimore, Inc. (MD)
Neighborhood Housing Services of Greater Cleveland, Inc. (OH)
Neighborhood Housing Services of Kansas City, Inc. (MO)
Neighborhood Housing Services of New Haven, Inc. (CT)
Neighborhood Housing Services of Oklahoma City, Inc. (OK)
Neighborhood Housing Services of the Black Hills, Inc. (SD)
Neighborhood Housing Services of the Lehigh Valley, Inc. (PA)
Neighborhood Housing Services, Inc. (PA)
Neighborhood Nonprofit Housing Corporation
Neighborhood Renewal Services of Saginaw, Inc. (MI)
NeighborWorks Columbus (GA)
NeighborWorks Rochester (NY)
New Directions Housing Corporation (KY)
New Jersey Citizen Action, (NJ)
NHS of Chicago (IL)
Northeast South Dakota Community Action Program
Northeast South Dakota Economic Corporation
Northwest Indiana Community Reinvestment Alliance (IN)
Norwalk (Connecticut) Fair Housing (CT)
Notre Dame Legal Aid
Nuestra Comunidad Development Corp. (MA)
Opportunity Finance Network
Oregon Consumer League
Piedmont Housing Alliance
Pittsburgh Community Reinvestment Group (PA)
PPEP MicroBusiness and Housing Development Corporation
PPEP Microbusiness and Housing Development Corporation, Inc. (AZ)
Project Change Fair Lending Center (NM)
Reservoir Hill Improvement Council
Rural Opportunities, Inc. (NY)
Salisbury Neighborhood Housing Services, Inc. (MD)
Sargent Shriver National Center on Poverty Law (IL)

Scott County Housing Council (IO)
Scranton Neighborhood Housing Services, Inc. (PA)
Seedco
Self-Help Enterprises (CA)
Shorebank
Shorebank Enterprise Pacific
Siouxland Economic Development Cooperation
SJF Ventures
South Bend Center for the Homeless
Southeast Community Development Corporation
Southern Good Faith Fund (AR)
Southwest Fair Housing Council (AZ)
St. Joseph Valley Project
Tlingit-Haida Regional Housing Authority (AK)
Tri-County Housing & Community Development Corporation (CO)
Unidos Para La Gente (TX)
United Keetoowah Band of Cherokee Indians (OK)
United Neighborhood Centers of Northeastern Pennsylvania (PA)
United South Broadway Corporation (NM)
Utica Neighborhood Housing Services, Inc. (NY)
Village Capital Corporation
Virginia Citizens Consumer Council
Virginia Poverty Law Center
West Elmwood Housing Development Corp. (RI)
Westchester Residential Opportunities, Inc. (NY)
Western Massachusetts Enterprise Fund
Wisconsin Consumers League
Working Together for Jobs, (NJ)