

NCRC

# Reinvestment WORKS

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NCRC's 2008 National Conference will feature a special full-day event with guest speaker, Federal Reserve Bank Chairman Ben Bernanke

PAGE  
2

2008 NATIONAL CONFERENCE

March 12-15, 2008

## Creating the Vision for a Fair Economy: Investing in People and Communities

### Foreclosure Crisis Tops NCRC Conference Agenda

NCRC invites you to join us at our 2008 National Conference March 12-15, 2008 in Washington D.C. Our national conference is the largest annual gathering of community organizations devoted to creating and sustaining affordable homeownership. This year's conference is titled **"Creating the Vision for a Fair Economy: Investing in People and Communities."**

NCRC member organizations, plus leaders from business, media, government and academia will convene in Washington to discuss solutions to the foreclosure crisis and how to create and sustain affordable housing, job development and vibrant communities for America's working families

We have been working to make this year's conference our best ever by developing trainings, workshops and panels that address the most cutting-edge topics in fair housing and fair lending, The Community Reinvestment Act, asset building strategies, foreclosure counseling, community organizing, small business development, fundraising and more. Plus, we are featuring top-tier speakers and expert panelists to ensure that conference attendees are getting the benefits of hearing from the most knowledgeable sources on these topics and from leading opinion-makers in the media today.

Today, the nation is on the brink of recession. Some say we are already there. Presidential candidates are crossing the country talking about solutions to the hard problems we face. At the top of that list of problems is the foreclosure crisis that is growing every day. NCRC is the group that has been warning about the effects of unchecked subprime lending for years. Now, as a result of unfair and deceptive lending practices, communities are being hit with rampant foreclosures. At the time of our national conference last March, the subprime market began to slide. One year later, where are we? How did we get here,

and most importantly, what can be done? To address this, our conference this year will feature a special full-day session titled **"Foreclosing on the American Dream: Recreating Sustainable Homeownership"** and include substantive discussions of the foreclosure issue — from causes to remedies. And, we are very proud to announce that **Federal Reserve Chairman Ben Bernanke** will deliver the keynote speech for this special session. Immediately after the speech, an interactive panel will discuss the points of the Chairman's speech as well as their own perspectives on the foreclosure issue.

Everyone has a stake in this national discussion — banks, lenders, community leaders, government, academia

and non-profit groups. This year's conference promises to be one of our best and should not be missed. Inside this issue is a full conference agenda and list of panelists and speakers as of press time.

Don't wait — register today to guarantee your spot at this important event: [www.ncrc.org](http://www.ncrc.org)

For More information call: 202-628-8866 or e-mail: [conference@ncrc.org](mailto:conference@ncrc.org). ■



### HELP Now: for Homeowners and the Economy

The National Community Reinvestment Coalition has proposed a pragmatic plan that will have an immediate and wide reaching impact on the foreclosure crisis, and would help put the mortgage finance market and the overall economy, back on its moorings.

This initiative, called The Homeowners Emergency Loan Program (HELP Now), would use federal funds to purchase securitized loan pools at a discount, ensuring that the burden for solving the crisis is shared by market players. Once held by the government, problematic loans would be modified or refinanced into 30-year fixed mortgages by private financial institutions, keeping the government out of the refinancing business. To get help to homeowners quickly, the program would rely on existing federal agencies.

Presented to lawmakers the last week of January, it is already gaining traction on Capitol Hill and in the media. On January 31, NCRC CEO John Taylor was on CNN discussing the program and its potential. You can read the proposal at [www.ncrc.org](http://www.ncrc.org).

We invite you to take part in this effort by reviewing our proposal, sharing it with colleagues and professional contacts, including elected representatives. This is an idea whose time has come. It is not a bailout — it is a public-private partnership that shares the burden for ending the foreclosure crisis. By developing this program and advancing it forward we are taking a proactive role in ensuring a quick and effective solution to the crisis at hand and in providing for a sustainable future for America's communities. ■



PAGE  
11 Bank and community leaders talk on merger.

PAGE  
12 DCMBEC presents minority business award



Also in this issue of

# Reinvestment WORKS



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**Dica Adotevi**  
CFO

**Ada Albright**  
Director, National Training Academy

**Sarah Bedy**  
Member Organizing/Advocacy Associate

**David Berenbaum**  
Executive VP

**Rasheedah Bilal**  
Fair Lending Specialist

**James Carr**  
Chief Operating Officer

**Vondetta Carter**  
Senior Accountant

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Executive VP

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Assistant Director, Coalition Relations

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Special Assistant to the COO

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Finance Director of DCMBEC

**Ruth Dickey**  
Compliance Manager, National Neighbors

**Imani Ellis**  
Accounting Assistant

**Jonny Goldstein**  
New Media Producer

**Lita Grossman**  
Member Organizing/Advocacy Associate

**Casine Henry**  
Consumer Credit Counselor

**Owen Jackson**  
Director, DCMBEC

**Lyonel Lagrone**  
Compliance Manager, National Neighbors

**Sylvia Lake**  
VP Legislative Affairs

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Director, NHSF

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Assistant Director, National Neighbors

**Luisa Melgarejo**  
Compliance Manager, National Neighbors

**Marcy Meyer**  
VP Coalition Relations

**Maria Middleton**  
Administrative Assistant DCMBEC

**Michael D. Mitchell, Esq.**  
Director, National Neighbors

**Shawna Nelms**  
Fair Lending Specialist

**Jah-Asia Nuru**  
Compliance Manager, National Neighbors

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**Jamie Wolf**  
Senior Research Analyst

## 2008 NATIONAL CONFERENCE AGENDA

# Creating the Vision for a Fair Economy: Investing in People and Communities



### WEDNESDAY March 12, 2008

#### 1:00 – 8:00 PM Registration

#### 1:00 – 1:45 PM Members Welcome and Orientation

### NCRC National Training Academy – Tools for Achieving the Vision

#### 1:45 – 2:45 PM Asset Building Strategies

This workshop will explain examining individual development accounts (IDAs), alternative ownership mechanisms and other strategies to build wealth through increases in small business and homeownership. Researchers and practitioners will discuss the range of available asset building tools and will explore the experience of community groups in reaching eligible consumers. Discussion will include real-life examples of programs' successes and challenges in connecting low-income consumers with Individual Development Accounts (IDA), Earned Income Tax Credit, etc. and a review of current public policies.

**PANELISTS:**  
**Mary Ruth Herbers**, Senior Director of Programs, Center for Economic Progress  
**Ms. Stephanie Upp**, Associate Director, San Francisco Earned Assets Resource Network

#### Legal Strategies in Fair Housing & Fair Lending

This session will present attendees with an update of the significant fair housing and fair lending cases that have taken place in the past year. Presenters will also give insight into the direction of future legal actions to advance the cause of fair lending and fair housing. Cases to be covered include: Recent NCRC filings to combat redlining, NCRC cases to challenge Wall Street, City of Baltimore v. Wells Fargo, NAACP v. Citibank et. al. etc.

**PANELISTS:**  
**Michael Mitchell**, Director, National Neighbors, National Community Reinvestment Coalition  
**John Relman, Esq.**, Director, Relman, Dane & Associates, Washington, DC

#### CRA 101: Using The Community Reinvestment Act to Develop Neighborhoods and Protect Against Foreclosures

This workshop will explain how CRA can be used to stop predatory lending, develop neighborhoods and build wealth through increases in small business and homeownership. Learn how CRA exams scrutinize bank lending, investing and

bank branching in low- and moderate-income neighborhoods and how community organizations' comments on CRA exams and merger applications can result in increases in bank financing in neighborhoods. CRA also can motivate dialogue and partnerships with banks that result in the introduction of new products and programs including foreclosure prevention initiatives.

**PANELISTS:**  
**Joshua Silver**, Vice President, Research, National Community Reinvestment Coalition  
**Bethany Sanchez**, Director, Community Economic Development, Metro Milwaukee Fair Housing Council; (NCRC Board Member)

#### 3:00 – 4:00 PM Fundamentals of Foreclosure Counseling – Empowering Consumers

The role of the foreclosure intervention counselor is to assist homeowners in establishing meaningful contact with their servicer or lender, provide an affordable and acceptable work-out to sustain their homeownership or aid in the transition when liquidation is the only option. This workshop will help counselors develop new and underused skills and resources to intervene on behalf of consumers facing foreclosure.

**PANELISTS:**  
**Lloyd London**, Director, National Homeownership Sustainability Fund, National Community Reinvestment Coalition  
**Janis Bowdler**, Housing Policy Analyst, National Council of La Raza

#### Holding Wall Street Accountable: The Path of a Loan

Wall Street finances up to eighty percent of subprime home loans through securitization. The subprime sector has been plagued with predatory lending charges, many of which have been substantiated. As subprime securitization has grown, so have charges that securitization turns a blind eye to financing abusive loans. Participants will learn more about: buying paper; how to securitize loans (what they buy and don't buy); assigning liability (predatory and responsible lending); and when Wall Street becomes a direct lender. Plus, a glossary: understanding the terms used on Wall St.

**PANELISTS:**  
**David Berenbaum**, Executive Vice President, National Community Reinvestment Coalition  
**Matthew Lee**, Executive Director, Inner City Press Fair Finance Watch; (NCRC Board Member)

#### Powerful HMDA Data Analysis: Tools for Increasing Access to Affordable Loans for Minorities and Working Class Borrowers and Neighborhoods

This course will empower participants to use Home Mortgage Disclosure Act (HMDA) data to increase affordable loans for traditionally underserved communities and will review

research that shows persistent and stubborn disparities by race of borrower. The course will also show how data analysis can be used by nonprofit organizations, public agencies, and other stakeholders to reduce disparities and bolster lending to minorities, women, and working class borrowers. Trainers will describe how the data illustrates if lenders are meeting credit needs or if fair lending disparities are present.

**PANELISTS:**  
**Keenya Robertson**, President and CEO, Housing Opportunities Project for Excellence, Inc., (HOPE, Inc.)  
**Rick Marsico**, Professor, New York Law School

#### 4:15pm – 5:15pm MoneyWi\$e: Financial Literacy That Works!

Recognizing the need to continue educating consumers on financial literacy, NCRC has partnered with Consumer Action to provide our members with training and materials to spread the word about fundamental money management skills. Participants will obtain free copies of four MoneyWi\$e train-the-trainer modules: Banking Basics, Money Management, Good Credit and Rebuilding Good Credit; receive information on how to enhance your ability to teach your clients the basics of money management techniques, how to handle credit problems and learn essential basic banking skills and learn about the upcoming train-the-training workshops, roundtables and MoneyWi\$e funding opportunities for 2008.

**PANELISTS:**  
**Sol Carbonell**, National Priorities Associate, Consumer Action  
**Ada Albright**, Director, National Training Academy, National Community Reinvestment Coalition

#### Implementing the Federal Homeownership and Equity Protection Act (HOEPA) – to Protect Families against Abusive Lending and Foreclosure

The Federal Reserve Board has proposed changes to HOEPA that are intended to protect borrowers against predatory and deceptive lending practices. Learn what's good about the Federal Reserve proposal and what's lacking. Also, engage in a lively conversation about how federal HOEPA rules have been used by local attorneys and nonprofit organizations to defend against abusive lending and to prosecute predatory lenders.

**PANELISTS:**  
**Alys Cohen**, Staff Attorney, National Consumer Law Center  
**Gail Burks**, President and CEO, Nevada Fair Housing; (NCRC Board Member)

## Getting the Banks' Attention: How to Wage an Effective CRA and Fair Lending Campaign to Secure More Responsible Lending for Your Community

It is becoming more challenging to win commitments from banks to increase their responsible lending and services in the wake of mergers. The largest mergers are now national in scope; banks have become expert in issuing vague promises with few accountability mechanisms; and federal regulatory enforcement has waned in recent years. How have community organizations secured local commitments in today's challenging environment? How have community organizations in different states collaborated with each other to secure favorable outcomes in bank mergers?

### PANELISTS:

**Phyllis Salowe-Kaye**, Executive Director, New Jersey Citizen Action

**Alan Fisher**, Executive Director, California Reinvestment Coalition; (NCRC Board Member)

## 5:30pm – 6:30pm Congressional Policy and Regulatory Briefing

(NCRC Members Only)

### HOSTS:

NCRC Board member *Hubert van Tol*; NCRC staff members *Josh Silver*, *David Berenbaum*, *Sylvia Lake*; and *Patience Singleton*, Democratic Counsel, House Financial Services Committee

## 6:30pm – 8:00pm Chairman's Opening Reception

### SPEAKERS:

**John Taylor**, President and CEO, National Community Reinvestment Coalition

**Lee Beaulac**, Senior Vice President Housing and Development, Rural Opportunities, Inc.; (NCRC Board Chair)

# Thursday, March 13, 2008

## 7am – 7pm Registration

## 7am – 7pm Members Lounge

## 7:30am – 8:30pm Networking Breakfast

### SPEAKER:

**Congresswoman Maxine Waters** (D-CA)

## 9:00am – noon Hill Meetings

(NCRC Members Only)

## 12:30 – 2pm Congressional Luncheon and Member Debriefings

### Invited:

Senator Charles Schumer (D-NY)  
 Senator Christopher Dodd (D-CT)  
 Senator Hillary Clinton (D-NY)  
 Senator Mel Martinez (R-FL)  
 Senator Robert Menendez (D-NJ)

Senator Elizabeth Dole (R-NY)  
 Senator Barack Obama (D-IL)  
 Congressman Barney Frank (D-MA)  
 Congressman Melvin Watt (D-NC)  
 Congressman Brad Miller (13th-NC)  
 Congresswoman Eddie Bernice Johnson (D-30th TX)  
 Congresswoman Maxine Waters (D-CA)  
 House Speaker Nancy Pelosi (D-CA)  
 Senate Majority Leader Harry Reid (D-NV)  
 Congressman John Conyers, Jr. (D-MI)  
 Congressman Luiz Gutierrez (D-IL)  
 Mayor Sheila Dixon - Baltimore

## 2:30pm – 3:15pm Plenary: Investing in People & Communities

### Success Stories by NCRC Members

Celebrate the success NCRC members have had advancing housing and economic opportunity, while also gaining insight on strategies that can help you bring credit, capital and banking services to underserved populations and communities in your local area. At this plenary, NCRC members will highlight models for economic inclusion that work. Conference participants will have the opportunity to explore these strategies and their practical application in more detail in the workshops that immediately follow the plenary session.

### MODERATOR:

**Dean Lovelace**, Director, Dayton Civic Scholars; (NCRC Board Member)

### PANELISTS:

**Maria Otero**, President, Women's Venture Fund

**Bill Tisdale**, Executive Director, Metro Milwaukee Fair Housing Center

**Carla Dickstein**, Vice President, Coastal Enterprises Inc.

**Steven McCullough**, President and CEO, Bethel New Life, Inc.

**Calvin Holmes**, Executive Director, Chicago Community Loan Fund

## 3:30pm – 4:45pm Learning Together (From Success Stories)

### Workshop #1 Organizing and Advocacy

Organizing and advocacy are essential in the ongoing effort to ensure that traditionally underserved groups and communities have access to the type of financial products and services that promote sustainable housing and economic development. Learn how to be successful at engaging public and private policy makers, as well as other community stakeholders to advance policies, programs and practices that bring much-needed resources and protections to your constituents. This workshop will empower participants to shape the public discourse on community reinvestment issues and to foster housing and economic opportunity by influencing the way credit, capital and banking services are made available in their local area.

### MODERATOR:

**Jean Ishmon**, President, Northwest Indiana Reinvestment Alliance; (NCRC Board Member)

### PANELISTS:

**Carla Dickstein**, Vice President, Coastal Enterprises, Inc.

**Luis Granados**, Executive Director, Mission Economic Development Association, San Francisco (invited)

**Tom Allio**, Chair, Ohio Coalition for Responsible Lending (invited)

### Workshop #2 Fair Housing Enforcement

Participants will share stories of successful fair housing enforcement actions, challenges, and litigation in their communities.

### MODERATOR:

**Stella Adams**, Principal, SJ Adams Consulting; (NCRC Board Member)

### PANELISTS:

**Bill Tisdale**, Executive Director, Metro Milwaukee Fair Housing Center

**D. Elizabeth Pierson**, President and CEO, Fair Housing Center of Orange County

**Anibal Olaque**, Executive Director, Border Fair Housing

**Clifford Schrupp**, Director, Southwest Michigan Fair Housing Center

### Workshop #3 Community Based Lending

Community development lenders promote equal access to credit and capital by channeling private and public investments into housing-related and small business development loans that might not have been financed affordably or at all by a traditional lender. Find out how community lenders build their loan funds and help leverage additional investments to keep financial resources flowing to traditionally underserved groups and communities. Learn about innovative and high-impact community lending products and services and discover how community development lenders are positioning themselves to maintain and expand their activities moving forward.

### MODERATOR:

**Lee Beaulac**, Senior Vice President Housing and Development, Rural Opportunities, Inc.; (NCRC Board Chair)

### PANELISTS:

**Calvin Holmes**, Executive Director, Chicago Community Loan Fund

**Ignacio Esteban**, Executive Director, Florida Community Loan Fund (invited)

**Alan Branson**, Executive Vice President & COO, Enterprise Corporation of the Delta

### Workshop #4 Small, Minority and Women Owned Business Development

Over the last couple of years there has been a focus on the growth of Small, Minority and Women Owned businesses in the U.S. Although statistics has shown that the fastest area of growth has been in this sector, what is the true impact? Additionally, how does the current housing crisis affect these business enterprises moving ahead? What programs are available to help these firms to get through this period?

### MODERATOR:

**Elbert Jones**, Vice President of Lending, Community Enterprise Investments; (NCRC Board Member)

### PANELISTS:

**Maria Otero**, President, Women's Venture Fund

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U.S. Conference of Mayors

### Moises Loza

Housing Assistance Council

### Rashmi Rangan, Esq.

Delaware Community Action Council

### Bethany Sanchez

Metro Milwaukee Fair Housing Council

### Shelley Sheehy

River Cities Development Services

### Morris Williams

Coalition of Neighborhoods

### Ted Wysocki

LEED Council

Ronald Langston, National Director, Minority Business Development Agency

Robert Dickerson Jr., Executive Director, Birmingham Business Resource Center

**Workshop #5  
Mixed-Use Real Estate Development for Mixed-Income Communities**

Mixed-use and mixed-income real estate development revitalizes communities, providing affordable housing opportunity without isolating lower-income households and bringing jobs, affordable commercial space, shopping and entertainment to areas in need. This community reinvestment strategy can breathe new life into a neighborhood, enabling residents to live where they work, offering community amenities that create a vibrant environment and supporting local entrepreneurs. Workshop participants will review successful development projects in order to understand how this model can be replicated to positive effect in their own hometowns.

**MODERATOR:**

Irvin Henderson, President, Henderson and Company; (NCRC Board Member)

**PANELISTS:**

Steven McCullough, President and CEO, Bethel New Life, Inc. (invited)

**5:00pm – 6:15pm  
Cutting Edge Coalitions**

Informed and engaged coalitions are key to creating meaningful change in communities. Leaders in the field of coalition work will describe their experiences building and maintaining active and effective coalitions that attract diverse stakeholders, forge meaningful relationships with community leaders and public and private policymakers and successfully address policy issues and other community concerns.

**MODERATOR:**

Rashmi Rangan, Executive Director, Delaware Community Action Council; (NCRC Board Member)

**PANELISTS:**

Jim Bliesner, Chief Executive, San Diego Reinvestment Task Force (invited)

Rhea Serna, Senior Policy Advocate, California Reinvestment Coalition

Mark Siefert, Executive Director, Eastside Organizing Project

**Creating Basic Banking and Financial Services**

Learn about creating credit and savings options that are the key to building individual and community wealth.

**MODERATOR:**

Morris Williams, President & CEO, Hamilton County Community Reinvestment Group; (NCRC Board Member)

**PANELISTS:**

Liz Givens, Vice President, Lenders for Community Development

Joanna Ramani, Executive Director, Baltimore CASH

La Tasha Best-Gaddy, Project Director, North Carolina Institute of Minority Economic Development

**Grantwriting and Fundraising for Change**

Nonprofits operate in an increasingly competitive funding environment. This session provides non-traditional development strategies that will expand an organization's ability to create fundraising campaigns, engage boards of directors and community residents in sustaining neighborhood based non-profits.

**MODERATOR:**

Moises Loza, Executive Director, Housing Assistance Council; (NCRC Board Member)

**PANELISTS:**

Landon Williams, Director of Housing and Small Business Initiatives, Louisiana Disaster Recovery Foundation

John Weiler, Program Officer, Heron Foundation

Tracey Barber, Program Officer, Abell Foundation

**Effective Messages and Powerful Voices**

This panel of communications professionals will detail ways to create and disseminate compelling messages that will engage the public and influence policy makers.

**MODERATOR:**

Shelley Sheehy, Development Consultant, River Cities Development, (NCRC Board Member)

**PANELISTS:**

Hank Boerner, Governance & Accountability, Inc.

Judy Smith, Impact Strategies

Sandy Close, New American Media

**CRA 2.0 High Impact CRA: As CRA Turned 30, What Improvements are Necessary to Realize Its Full Potential**

The Community Reinvestment Act (CRA) has leveraged more than \$4.6 trillion in bank lending and investing for working class and minority communities. However, the full potential of the law has not been realized because CRA has not been applied to non-bank financial institutions and has been applied inconsistently to banks.

**MODERATOR:**

Maryellen Lewis, Program Leader, Community Capital Community & Economic Development, (NCRC Board Member)

**PANELISTS:**

Joshua Silver, Vice President Research and Policy, National Community Reinvestment Coalition

Hubert Van Tol, Director, Economic Justice, Rural Opportunities, Inc., (NCRC Board Member)

**Affordable Housing Opportunities in a Down Market**

Discover new and innovative approaches and partnerships by community groups to affordable housing as a result of foreclosed and abandoned properties. Learn about projects that can be replicated in your neighborhood that revitalize communities with affordable housing in the midst of this foreclosure crisis. Learn of the opportunities for community groups to acquire properties that can be sold or rented to low-to-moderate income people.

**MODERATOR:**

Jim Hunt, Area Manager, West Virginia Housing Development Fund for North Central Area; (NCRC Board Member)

**PANELISTS:**

Loretta Abrams, Vice President, Consumer Affairs, HSBC

Danna Fischer, Policy Analyst, National Low Income Housing Coalition (invited)

Dale Prunoske, Director of Housing Rehabilitation and Energy Services, Rural Opportunities, Inc.

**6:30pm – 7:15pm  
Exhibitor's Reception**

**7:30pm – 9:00pm  
Movie "In Debt We Trust"**

**Friday, March 14, 2008**

**Foreclosing on the American Dream: Recreating Sustainable Homeownership**

**7am – 7pm  
Registration**

**7am – 7pm  
Member Lounge**

**7:30 – 8:30  
Breakfast**

**8:00 – 8:30  
Keynote Speaker:**

Doug Palmer, President, US Conference of Mayors, Mayor, Trenton, NJ (invited)

**8:30 – 9:00  
Keynote Speaker:**

Sheila Bair, Chair, Federal Deposit Insurance Corporation (FDIC)

**9:00am – 10:30am  
Plenary I – "The Foreclosure Crisis: Multiple Points of Failure"**

**MODERATOR:**

David Cho, Reporter, The Washington Post

**PANELISTS:**

James H. Carr, Chief Operating Officer, National Community Reinvestment Coalition

Alys Cohen, Attorney, National Consumer Law Center

Kathleen Engel, Professor, Cleveland Marshall College of Law, Cleveland State University

**10:45 – 12:15pm  
Plenary II -- "Remedies and Needed Interventions"**

**MODERATOR:**

Diana Olick, Anchor, CNBC

**PANELISTS:**

Greg Stanton; Founder & Co- Director, Wall Street Without Walls

Bruce Marks, CEO, Neighborhood Assistance Corporation of America

David Berenbaum; Executive Vice President, National Community Reinvestment Coalition

Irvin Henderson, President, Henderson & Company; (NCRC Board Member)

**12:30pm – 1:30pm  
Luncheon**

**INTRODUCTION:**

John Taylor, President & CEO, National Community Reinvestment Coalition

**KEYNOTE SPEAKER:**

Ben Bernanke, Chairman, Federal Reserve Bank

**1:45pm – 3:45pm  
Interactive Session: Foreclosing on the American Dream: Recreating Sustainable Homeownership**

**MODERATOR:**

Maria Bartoromo, CNBC Anchor (invited)

**PARTICIPANTS:**

John Taylor, President & CEO, National Community Reinvestment Coalition

Gail Burks, Pres./CEO, Nevada Fair Housing, NCRC Board Member

George McCarthy, Program Officer, Ford Foundation

Tom Nelson, Chief Operating Officer, AARP

Robert Rubin, Chairman, Citigroup (invited)

Ellen Seidman, Executive Vice President, New America Foundation

George Miller, Executive Director, American Securitization Forum (invited)

**3:45pm – 4:15pm  
Networking and Feedback Sessions**

**4:30pm – 6:00pm  
NCRC Jeopardy!**

**Categories:**

CRA; Fair Housing Act; Regulators; Foreclosures; NCRC, Things that are "new"

6:30pm – 8:30pm

**Awards Dinner -- Looking Back at the Community Reinvestment Act and Celebrating 40 Years of the Fair Housing Act**

Recognition to Dr. King – “Chicago Freedom Movement” (12 min. documentary to be shown during Awards Dinner)

Host:

Michael Eric Dyson, Author, Professor, Georgetown University (invited)

**Saturday, March 15, 2008**

7:30am – 8:45am  
**Breakfast**

9:00am – 11:30am

**Closing Plenary:  
“The Nexus between Environmental & Economic Justice: Harnessing the Green Economy for Community Reinvestment”**

MODERATORS:

Irvin Henderson, President, Henderson & Company; (NCRC Board Member)

Ted Wysocki, President and CEO, LEED Council; (NCRC Board Member)

POLICY PANELISTS:

Vernice Miller-Travis, Executive Director, Environmental Support Center (invited)

Deeohn Ferris, President, Global Environmental Resources (invited)

Rachel Gragg, Federal Policy Director, Workforce Alliance (invited)

Kizetta Vaughn, Program Director, The Center for Construction Research and Training (invited)

COMMUNITY PANELISTS

Van Jones, Founder, Green for All, Ella Baker Center (invited)

Majora Carter, Executive Director, Sustainable South Bronx (invited)

Hilton Kelley, Executive Director, Community In-Powerment Development Association (invited)

Representative Beverly Earle, North Carolina General Assembly (invited)

11:30am – 12:00pm

**Closing Remarks**

John Taylor, President and CEO, National Community Reinvestment Coalition

Lee Beaulac, Senior Vice President, Housing and Development Rural Opportunities, Inc.; (NCRC Board Chair)

**Special registration rate for New Members Only**

Join now and pay only \$150 to attend the Annual Conference.

Offer expires March 5, 2008.

**Membership Type**

- Non-profit \$150 (budget less than \$500,000)
- Non-profit \$250 (budget over \$500,000)
- Non-profit \$600 (budget over \$1,000,000)
- University/College Department \$500
- Local Government Agency \$500 (special criteria apply)
- Student \$35 (please provide copy of student ID)
- TA Provider - For profit \$250 (special criteria apply)
- Sustaining Partners \$6,000
- Public Sector/Government Agency \$1,000 (state, multi-state, or federal)

**NCRC Annual Conference Registration**

**March 12-15, 2008**

Hyatt Regency on Capitol Hill, 400 New Jersey Ave. NW, Washington D.C.

Call the Hyatt now to book your hotel at the NCRC Special Conference Rate. 800-233-1234 or 202-737-1234

**Registration is also available at [www.ncrc.org](http://www.ncrc.org)**

Name \_\_\_\_\_

Title \_\_\_\_\_

Organization \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State/Country \_\_\_\_\_ Zip Code \_\_\_\_\_ Phone \_\_\_\_\_

Fax \_\_\_\_\_ Email \_\_\_\_\_

I prefer to receive confirmation by  Fax  E-mail  
Dietary Restrictions:  None  Vegetarian  Diabetic  Other

**Conference Registration Rates**

|                            | Member | Student | Non-Members |
|----------------------------|--------|---------|-------------|
| Regular (Jan. 25- March 5) | \$299  | \$75    | \$565       |
| Late/Onsite                | \$399  | \$99    | \$620       |

DISCOUNTS: First registrant from each organization pays full fee. Second deducts 15%. Each additional registrant after the first two deducts 20%. Not applicable to student rates.

SEND ALL REGISTRATIONS FOR YOUR ORGANIZATION IN A SINGLE BATCH.

Conference Registration Fee \$ \_\_\_\_\_

Group Discount (attach worksheet) — \_\_\_\_\_

TOTAL DUE \$ \_\_\_\_\_

**Payment**  Check enclosed  Visa  Mastercard

Card number \_\_\_\_\_ Exp. Date: \_\_\_\_\_

Card holder name (print) \_\_\_\_\_

Signature \_\_\_\_\_

For fast processing, fax registration with credit card payment authorization. Registrations will not be processed until payment is received. Refunds: Cancellation requests received by January 24 will be subject to \$25 processing charge. Requests received January 25 - March 5 will be subject to \$80 charge. No refunds on requests received after March 5. All refunds will be remitted after the conference.

As of January 1, 2007, smoking will no longer be permitted in restaurants, bars, or other public places with Washington, D.C. Therefore, smoking will only be permitted outside the Hyatt Hotel in designated “smoking” guestrooms.

**Mail or fax this form with payment to:**

National Community Reinvestment Coalition  
727 15th Street NW, Suite 900 • Washington, D.C. 20005  
Phone 202-628-8866 Fax 202-628-9800  
Call for conference information, special needs and rates.

# Louisville Report Echoes the Impact of Foreclosure Crisis

NCRC member, the Metropolitan Housing Coalition (MHC) of Louisville, KY has released a comprehensive report on the foreclosure crisis facing their community. Like other communities across the U.S., the city of Louisville and surrounding Jefferson County, KY have been deeply impacted by the foreclosure crisis. The study looked at the current elements and manifestations of rising foreclosure rates by analyzing public foreclosure records filed and property valuation assessment information between January 1 and June 30, 2007. The study also conducted in-depth interviews with 26 households, demographically distributed across the Louisville metropolitan area, that were in foreclosure during this same period. The report provides a concise overall outline of the procedures and complexities involved in the numerous stages of the foreclosure process, looks at the effect of current foreclosure trends, and projects a 'tipping point' in the number of foreclosures that would lead to instability encroaching into contiguous neighborhoods. This research is a follow up to MHC's 2005 study, finding that at that time the foreclosure problem appeared to be one result-

ing from refinancing at high interest rates with a clustering of these loans in urban African American neighborhoods in West Louisville.

While foreclosures may be a recently developing phenomenon in many housing markets across the U.S., Louisville has been plagued by rising foreclosures for over a decade. The Louisville metro area annual number of foreclosures grew 700% - from 437 in 1996 to 3,089 in 2007. While the two zip codes with the highest number of foreclosures in 2005 remained consistent in 2007, MHC still found clusters of foreclosures in the western and heavily minority portion of the city. The 2007 study also found large numbers of foreclosures outside the urban core in suburban areas. Furthermore, it appears that foreclosures are linked to an increase in adjustable rate mortgages and higher percentage of prepayment penalties between 2005 to 2007. The levels and depths of data analysis by MHC provides valuable information about the foreclosure the Louisville area faces and echoes the problems of communities across the U.S.

"MHC's 2007 expanded study of the court foreclosure files saw dramatic shifts since the initial research in 2005. We were stunned at the differences", says MHC Executive Director Cathy Hinko. "The study's interviews revealed that with lending practices changing so extensively in a short period of time, people were getting mortgages and were not aware of all the permutations of exotic and imprudent lending."

This report corroborates other findings and the daily news, showing major problems in the housing market due to the current and looming impact of the foreclosure crisis. This study provides an insightful local look at the issues and the difficulties of the foreclosure process. These dismal findings illuminate the need for action, which MHC echoes in their 'call to action' to collect more information for further in-depth analysis, provide outreach for more community education, and participate in legislative reform at the local, state and federal levels to control egregious practices. For more information, or to view the full report, go to [www.metropolitanhousing.org](http://www.metropolitanhousing.org). ■

## Anti-Predatory Lending Bill Passes House and Senate Bill Pending: NCRC Pushing for Quick Enactment

With the foreclosure crisis accelerating, Congress is moving anti-predatory bills forward after years of debate. The question remains, however, whether Congressional action will move ahead in sufficient time to prevent massive foreclosures and to eliminate the unfair and deceptive lending practices that created the current crisis. NCRC continues to mobilize and focus our member organizations on promoting a strong and comprehensive anti-predatory lending bill. At the same time, NCRC has proposed an innovative model for quickly modifying the hundreds of thousands of problematic loans that are posed to enter foreclosure.

The magnitude of the foreclosure crisis is acute. In late January 2008, FDIC Chairman Sheila Bair informed the Senate Banking Committee in testimony that "we estimate that there were approximately 1.1 million foreclosures in the first three quarters of 2007, an increase of over 60 percent from the same period in 2006. . . . The FDIC estimates that almost 1.3 million hybrid loans are scheduled to undergo their first reset during 2008. An additional 422,000 subprime loans are scheduled to reset in 2009, which means these problems will not end anytime soon."

With this backdrop, the House of Representatives passed a bill sponsored by Representative Barney Frank, H.R. 3915 (the Mortgage Reform and Anti-Predatory Lending Act of 2007) in November. Soon thereafter, Senator Dodd, the Chairman of the Senate Banking Committee, introduced S. 2452, the Homeownership Preservation and Protection Act of 2007.

Both bills offer comprehensive protections for consumers. While the details vary, the bills would eliminate prepayment penalties for and require escrows on subprime loans. The bills would also require prudent underwriting that would eliminate the risky practice of qualifying borrowers based on initial low teaser rates on adjustable rate loans. Additionally, the bills would eliminate unfair and deceptive practices for all loans - both prime and subprime. For example, 'steering' - the practice of placing borrowers into high-cost loans when they qualify for lower cost loans - would be prohibited, saving individual borrowers tens of thousands of dollars. At a neighborhood level, eliminating steering and other deceptive practices would preserve millions of dollars in equity.

Both bills would apply consumer safeguards to a variety of entities in the financial industry including appraisers and servicers. The bills would prohibit appraisal fraud and make it illegal for lenders to intimidate appraisers into inflating the values of homes. The bills would prevent servicing abuses and would require servicers to promptly credit borrower loan payments. S. 2452 would require servicers to make reasonable efforts to modify loans and avoid foreclosures in the cases of borrower delinquency, while H.R. 3915 would require pre-loan counseling before a borrower takes out a very high-cost loan.

Liability for investors is especially critical for subprime loans since lenders sell most of these loans to Wall Street investors. Both bills differ significantly in how investors are held liable. H.R. 3915 would not impose liability

on investors for violations when investors have due diligence procedures designed to screen out abusive subprime loans. The difficulty in this case is that predatory loans can still slip through due diligence screens since the screens do not check each and every loan. In contrast, S. 2452 preserves the right of individual borrowers to seek redress in all cases and also allows class action lawsuits when investors have not established due diligence procedures.

The future of the two bills remains uncertain, but NCRC will strive to ensure that the consumer protections in both bills remain strong.

As vital as an anti-predatory bill is to prevent unfair and deceptive lending going forward, an especially urgent need currently is to create a mechanism for staving off hundreds of thousands of additional foreclosures. The Bush administration brokered a voluntary program in which major financial institutions have agreed to freeze loans for subprime borrowers at their initial rates. The program, however, excludes a large number of borrowers with problematic loans, meaning that the program is unlikely to be of the necessary scale to have a widespread impact. It also remains to be seen whether investors will agree to allow large amounts of loans to be modified.

In order to overcome the barriers to large scale modifications, NCRC has proposed a program called "HELP Now," under which the federal government would purchase loans at a discount price from investors. Working with the FHA, the Federal Home Loan Banks, Fannie Mae and

*continued on pg. 9*

# NCRC Surveys Member Organizations about How the Community Reinvestment Act (CRA) Has Financed Affordable Housing and Community Economic Development

Thirty years since the enactment of the Community Reinvestment Act (CRA), banks have committed to providing over four trillions in loans, investments, and services for working class and minority communities.

To continue to keep CRA strong, NCRC surveyed its community-based member organizations in this past fall to assess the degree to which CRA has assisted NCRC members in carrying out their ability to build community wealth, increasing affordable housing, and bolstering community economic development in minority and working class neighborhoods.

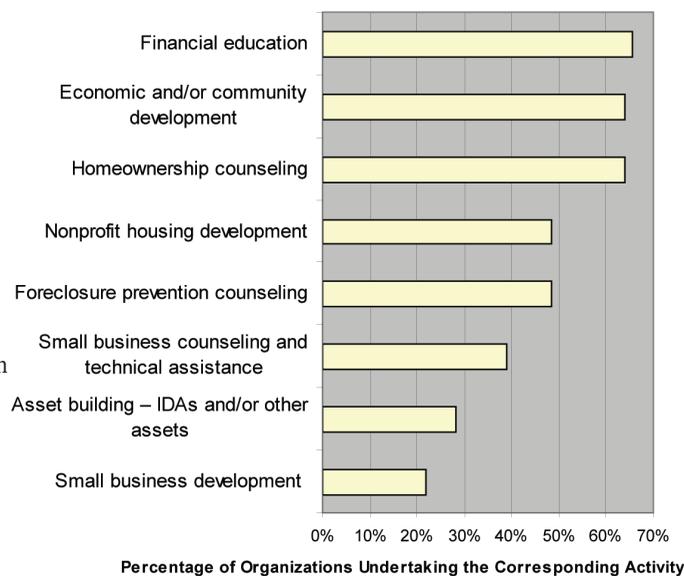
Sixty-six NCRC member organizations from 25 different states responded to the survey. 38 percent were small organizations of 1 to 5 full-time employees. 20 percent were modest in size with 6-15 employees and 20 percent were large – having 51 or more full-time employees.

The majority, (over sixty percent) of these organizations offer financial education and economic/community development, and almost half of all organizations are engaged in affordable housing development and foreclosure prevention services. In contrast, small business development (providing incubators and other infrastructure for small businesses) was among the services least commonly provided.

More than half (52 percent) of the organizations surveyed reported being somewhat successful and 11 percent reported being very successful at obtaining financial support from banks in the forms of loans, grants, and investments for programs that benefit low- and moderate-income communities.

NCRC member organizations included in this study have been most successful in obtaining funds from banks for two of their activities, namely, homeownership counseling and financial education. Approximately 61

Figure 1. Activities of Participating Organizations

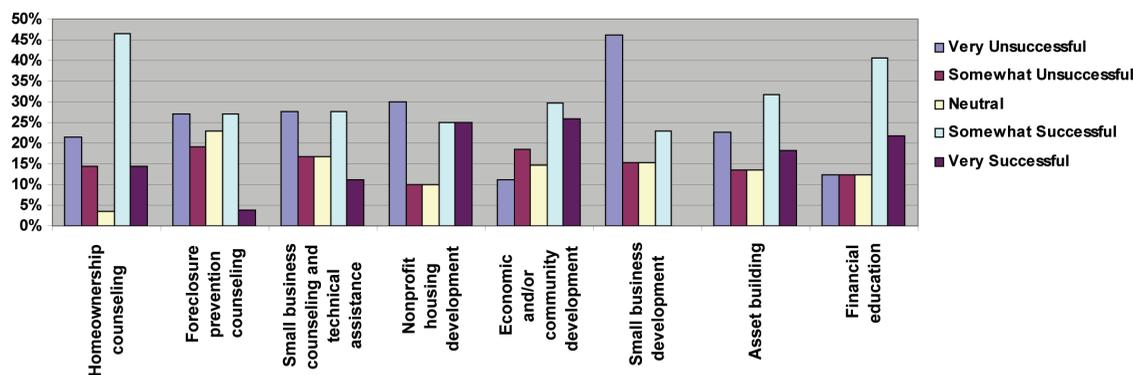


Percentage of Organizations Undertaking the Corresponding Activity

percent of organizations were very or somewhat successful in obtaining financial support for their homeownership counseling activities and 63 percent were able to obtain funding for their financial education programs. Foreclosure prevention counseling and small business development were the activities that drew the least support and financing by banks.

Twenty-one of the surveyed organizations provided NCRC with specific cases where CRA has helped them to secure financing of their development projects. Common CRA success stories include financing anti-predatory lending training sessions; projects that build, rehabilitate, or preserve units of affordable housing; mortgage default counseling and first time home buyer education; financial literacy training; financing small business loans and micro-enterprise loan programs for women.

Figure 2. Success at Obtaining Funds



The Housing Development Fund (HDF), CT, has enjoyed huge success in capitalizing funding pools from banks that receive CRA credit for their participation. To date, HDF manages almost \$50 million in funding from banks. HDF has deployed that funding in an array of financial assistance to developers of affordable housing and to individuals purchasing their first time homes. To date, HDF has financed almost 600 units, and helped an additional 600 households purchase affordable homes of their own.

ACCORD Corporation, NY, has a pool of funds totaling \$6.85 million from 8 banks, an additional \$1 million line of credit from Bank of America, and over a million dollars of direct investments in another lending pool. All of these investments are directly related to banks addressing their CRA requirements. As a result of the bank pool resources alone, over the past 12 years, ACCORD Corporation has made \$24.5 million in loans for projects that have created, rehabilitated or preserved 722 units of affordable housing.

While most organizations included in this study reported that CRA contributed positively to their ability to sustain projects benefiting underserved communities, a handful of other organizations did not experience direct CRA benefits. The reason most often cited for not being able to develop a programmatic relationship with a bank was that the nonprofit organization operated in rural areas populated with predominantly small banks that rarely undergo CRA exams.

While CRA has been essential in motivating banks to meet the needs of low- and moderate-income communities, much remains to be done in responding to the credit needs of underserved communities. This survey suggests that NCRC members have had less success in financing small business development than housing related activities.

Foreclosure prevention counseling has received relatively few resources as of the fall of 2007, when this survey was completed, but we expect this to change quickly given the current national foreclosure crisis. To stimulate banks' support for community development, the frequency and coverage of CRA exams needs to be expanded, especially in rural areas.

For more information about the CRA survey, please contact NCRC's Research Department on 202-628-8866. ■

## CommunityExpress Hits Record Numbers, Expands Coverage in New Areas

Underserved entrepreneurs across the nation have gotten a financial boost through 8,440 new CommunityExpress loans worth more than \$227 million in only the 2007 federal fiscal year – a jump of 33% over lending in FY 2006. And, new numbers just in for the first quarter of FY 2008 unveil another 2,649 loans approved by SBA, valued at over \$67 million.

That brings the total numbers since the program's beginning in June 1999 to 31,496 loans worth \$865 million. CommunityExpress is reaching entrepreneurs who otherwise might not be able to obtain the capital and management resources they need to grow.

CommunityExpress is the small business loan and technical assistance program that NCRC created in 1999 through its Banker/Community Collaborative Council in partnership with the U.S. Small Business Administration. Commercial lenders originate loans up to \$250,000 to businesses in lower-income or other distressed communities or to firms owned by minorities, women or veterans.

SBA grants a high guaranty, up to 85% of the loan amount, and the lenders assure that borrowers obtain technical assistance and management coaching at no cost. Many NCRC member organizations are among the nearly 500 approved technical assistance providers around the country.

The amount of new lenders has grown. In FY

2007 alone, 154 lenders originated CommunityExpress loans – a record high. They have continued generating business in Guam and the U.S. Virgin Islands, and now have reached entrepreneurs in Alaska, almost all the other states and the District of Columbia. Only Maine and Rhode Island did not see CommunityExpress activity in FY 2007.

The newest lenders are concentrated in a wide band across the mid-section of America – from Minnesota and South Dakota down through the Plains states, east to Kentucky, and further south to Louisiana and Texas. Lending remains concentrated in coastal areas such as California and states along the Atlantic seaboard.

It is noteworthy that after several years of declining average loan size – at one point dipping to about \$16,000 – the average value has steadily climbed during the past year and is now back up to \$26,900 for FY 2007 and \$27,500 for the program to date.

Minority and women entrepreneurs represent a majority of CommunityExpress borrowers. Firms owned 50% or more by women account for fully 55% of CommunityExpress loan recipients and for nearly 57% of the loan dollars. Minority-owned companies represent over 70% of the loans, and account for approximately 52% of the loan dollars.

The number of loans in low- and moderate-

*continued on pg. 10*

### CommunityExpress Summary Statistics

Fiscal Year 2007: October 1, 2006 – September 30, 2007

#### CommunityExpress Loans by Income Level of Census Tract

|               | No. of Loans | % of Total | Loan Amounts | % of Total |
|---------------|--------------|------------|--------------|------------|
| LMI           | 2,610        | 30.9%      | \$60,567,900 | 26.6%      |
| Low           | 602          | 7.1%       | 13,271,800   | 5.8%       |
| Moderate      | 2,008        | 23.8%      | 47,296,100   | 20.8%      |
| MUI           | 5,627        | 66.7%      | 160,555,329  | 70.5%      |
| Middle        | 3,522        | 41.7%      | 95,949,240   | 42.2%      |
| Upper         | 2,105        | 24.9%      | 64,606,089   | 28.4%      |
| Tract Unknown | 203          | 2.4%       | 6,508,500    | 2.9%       |
| TOTAL         | 8,440        | 100.0%     | 227,631,729  | 100.0%     |

#### CommunityExpress Loans by Ethnicity

|                        | No. of Loans | % of Total | Loan Amounts  | % of Total |
|------------------------|--------------|------------|---------------|------------|
| Loans to Minorities    | 5,940        | 70.4%      | \$118,986,340 | 52.3%      |
| African-American       | 3,043        | 36.1%      | 46,112,700    | 20.3%      |
| Puerto Rican           | 12           | 0.1%       | 278,900       | 0.1%       |
| Native-American/Eskimo | 141          | 1.7%       | 4,378,500     | 1.9%       |
| Hispanic               | 923          | 10.9%      | 22,050,040    | 9.7%       |
| Asian                  | 1,605        | 19.0%      | 43,861,200    | 19.3%      |
| Multi-ethnic           | 216          | 2.6%       | 2,305,000     | 1.0%       |
| Other, including White | 2,338        | 27.7%      | 104,552,489   | 45.9%      |
| Unknown                | 162          | 1.9%       | 4,092,900     | 1.8%       |
| TOTAL                  | 8,440        | 100.0%     | 227,631,729   | 100.0%     |

## The CIN Reaches the One Million Mark

[www.communityinvestmentnetwork.org](http://www.communityinvestmentnetwork.org)



Since formally being introduced at the NCRC annual conference in March 2007, the Community Investment Network (CIN) has become the nation's fastest growing Web site focusing on all aspects of community development, community-based investment, re-development, job creation and training, affordable housing, and the advancement of social justice and economic fairness. The CIN is the "go-to" place for news, research, commentary, networking and many other vital tasks for community leaders.

*More than one million pages have been viewed by over one quarter million people in the past 12 months!*

*And the CIN has expanded — more content, features, tools, networking opportunities... and more more more!*

With more than two dozen primary content sections; more than a hundred sub-sections; and almost a dozens special features, the CIN is very comprehensive. There are 15 main news categories for posting of daily news obtained from monitoring of hundreds of primary news outlets — The Washington Post, Los Angeles Times and other leading dailies; trade publications; many dailies in the 50 states... and a wide range of consumer publications.

CIN offers a wealth of information on key topics of interest to NCRC members and others interested in community development; housing and social and economic fairness. Each business day more than 100 stories, articles and reports are added to CIN to keep it timely, informative and highly relevant. This flow of information brings back CIN subscribers day after day and attracts new readers — steadily growing CIN's viewership and popularity.

CIN has become a national information source for community development leadership, CRA advocates, banking officers, civic leaders, public officials, journalists, researchers, academics, public policymakers, social-profit officials, funders, and anyone with an interest in community development. CIN is provided as a public service by NCRC to educate, inform and inspire all those interested in creating, rejuvenating and maintaining healthy communities in the United States and other countries.

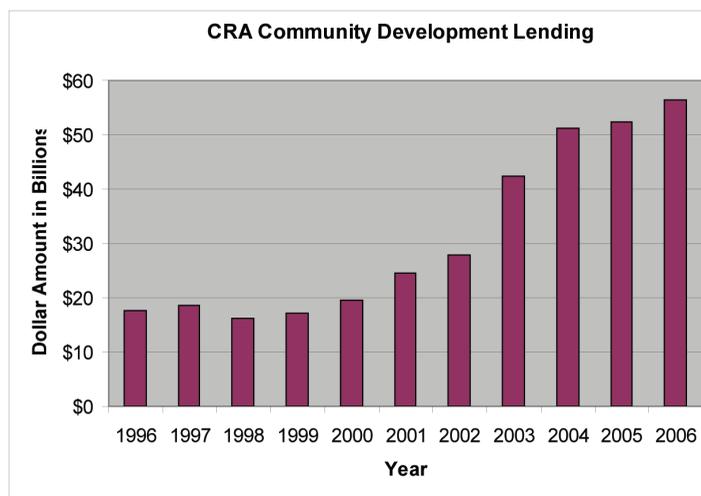
*continued on pg. 11*

# NCRC Mobilizes Campaign to Update the Community Reinvestment Act

In response to redlining (denial of loans and financial services) in working class and minority neighborhoods, Congress enacted the Community Reinvestment Act (CRA) in 1977 and imposed an affirmative obligation upon banks to serve all communities. As we celebrate CRA's 30 Anniversary, NCRC calculates that banks have committed to more than \$4.5 trillion in loans, investments, and services in low- and moderate-income neighborhoods.

NCRC is mobilizing a national campaign to update CRA, maintaining that CRA needs to be strengthened and applied to non-bank financial institutions. With a recession looming due in large part to risky lending practices that were enabled and financed by investment firms lacking rigorous regulatory oversight, strengthening CRA would have a stabilizing impact on the financial industry. Studies have shown that lending by CRA-covered banks is less likely to be high-cost and less likely to exhibit risky features than lending by non-CRA covered lending institutions.

The benefits of CRA have been substantial and well-documented. Since 1996 banks and thrifts have made 341,619 community development loans totaling more than \$344 billion. The annual dollar amount of community development loans increased 219 percent - from \$17.7 billion in 1996 to \$56.5 billion in 2006. Banks have also made 12,433,172 small business loans totaling more than \$513 billion in low- and moderate-income neighborhoods between 1996 and 2006. Also, CRA has encouraged banks to issue a greater percentage of their loans to low- and moderate-income borrowers than non-CRA covered institutions. In 2006 (the most recent home loan data available), banks and non-CRA covered lenders made 23.5 percent and 21.5 percent of their home purchase loans,



respectively to low and moderate-income borrowers. By encouraging safe and sound lending, CRA has leveraged economic development in traditionally underserved communities.

CRA's work is little known beyond housing and community development circles, but its benefits are widespread. To build support for strengthening and updating the law, NCRC is conducting a public education campaign about CRA and mobilizing a wider constituency to encourage Congress to expand CRA to help build and ensure a financially inclusive society, where people have equal access to the financial system and the system serves all equally.

NCRC's CRA campaign will consist of educating and mobilizing our membership and a wider public that includes the civil rights community, public agencies, faith-based organizations, and concerned citizens. This spring and summer, NCRC will provide talking points and fact sheets on CRA that will assist our member organizations and other community-based groups in talking with their

elected officials, the media, and citizens from communities they serve. NCRC will be promoting the passage of HR 1289, the CRA Modernization Act of 2007, sponsored by Reps. Eddie Bernice Johnson and Luis Gutierrez. NCRC will also be participating in CRA hearings convened by Chairman Barney Frank of the House Financial Services Committee and will be informing our constituency of key times to follow-up with their members of Congress.

CRA needs to be strengthened in a number of areas. As NCRC's Chief Operating Officer Jim Carr pointed out in Congressional testimony this past fall, CRA exams rate banks on their level of lending, investments, and services predominantly in geographical areas in which banks place their

branches and not in geographical areas in which banks make loans through brokers. In addition, banks have the option of including their non-depository affiliates such as mortgage companies on their CRA exams. Incomplete coverage of banks' lending activity creates opportunities for unscrupulous lenders to pursue policies that result in redlining and price discrimination. Discriminatory policies such as refusing to lend to row houses or charging a higher interest rate for making loans to row houses or loans below a certain minimum amount have been documented by NCRC's civil rights staff. NCRC has filed complaints about these exclusionary and discriminatory policies which disproportionately impact inner-city minority neighborhoods – the original victims of redlining more than 30 years ago that prompted the passage CRA.

A major part of NCRC's efforts to strengthen CRA will be to require that CRA exams cover the geographical areas that encompass the vast majority of banks' loans and to mandate the inclusion of all bank affiliates on CRA exams. In addition, NCRC will be urging that CRA be applied to non-bank institutions such as mainstream credit unions, mortgage companies, and insurance firms. If CRA is applied to a broad segment of the financial industry, CRA will be successful in knocking down other policies that discriminate and/or create barriers in access to financial services for minority and working class communities. In the process, CRA would leverage significant financial resources for wealth-building for traditionally underserved communities.

To obtain more information about NCRC's CRA campaign and how to be involved in the campaign, please contact Vice President of Research and Policy Josh Silver or Vice President of Legislative and Regulatory Affairs Sylvia Lake at 202-628-8866. ■

## Anti-Predatory Lending Bill Passes House and Senate Bill Pending: NCRC Pushing for Quick Enactment

*continued from pg. 6*

Freddie Mac, the government would facilitate modification of the loans and the selling of the loans back to the private sector. This type of program has caught the attention of key members of Congress, and NCRC will be urging the adoption of the HELP Now program as part of an economic stimulus bill. For more information on NCRC's HELP Now proposal, visit the NCRC website: [www.ncrc.org](http://www.ncrc.org).

Finally, another important effort to mitigate the nation's foreclosure crisis are bankruptcy reform bills sponsored by Representative Miller and Senator Durbin. These bills would allow judges to alter the terms of unsuitable loans owed by borrowers who have declared

bankruptcy. If these bills were to be enacted by Congress, it is estimated that up to 600,000 homes would be saved from foreclosure.

NCRC will be promoting a multi-faceted policy solution to the foreclosure crisis that includes a strong anti-predatory lending bill, a large-scale foreclosure prevention program and bankruptcy reform. Stay on top of the latest developments and receive the latest action alerts by contacting NCRC and visiting our website regularly: [www.ncrc.org](http://www.ncrc.org). For more information, contact Sylvia Lake, NCRC Vice President of Legislative and Regulatory Affairs on (202) 628-8866. ■

# Fair Lending on the Road: NCRC Conducts Forums with NCRC Members Around the Country

In our efforts to end predatory lending and stem the rising tide of foreclosures, NCRC has been working closely with our member organizations to conduct town hall meetings and forums that explore the causes of problematic lending as well as policy and programmatic solutions to the foreclosure crisis.

This past fall, NCRC presented policy and research analyses at public events sponsored by the Housing Development Fund in Connecticut, the Piedmont Housing Alliance in Charlottesville, Virginia, and the City of Greenville, North Carolina. The Piedmont Housing Alliance and the City of Greenville invited NCRC to conduct the forums because Charlottesville and Greenville were identified as having among the widest disparities in high-cost lending between African-Americans and whites among the metropolitan areas examined in NCRC's *Income is No Shield Against Racial Differences in Lending* report released in the spring of 2007.

Subsequent NCRC data analysis for the City of Greenville suggested that the disparities widened even further using the most recent publicly available data. In the City of Greenville during 2006, a high 46 percent of the loans received by middle- and upper-income (MUI) African-Americans were high-cost compared to about 10 percent of the loans to MUI whites being high-cost. MUI African-Americans were thus 4.5 times more likely than MUI whites to receive high-cost loans as shown in the accompanying table. Moreover, delinquency rates on subprime loans increased in Greenville from 11 percent in 2005 to 14.6 percent in 2007. Since African-Americans are considerably more likely to receive high-cost loans, they are more prone to delinquencies and foreclosures associated with these loans.

Citing findings from The Joint Economic Committee of the U.S. Congress, Josh Silver, NCRC Vice President of Research and Policy added, "the consequences of foreclosures in North Carolina include \$1.1 billion in home value loss and \$8.6 million in lost tax revenue."

NCRC presented similar findings at public events in Charlottesville, Virginia and Danbury, Connecticut and NCRC recommended that local stakeholders contact their member of Congress and promote strong anti-predatory bills modeled after Senator Dodd's S. 2452, or the Homeownership Preservation and Protection Act of 2007.

The Dodd bill would prevent steering, which occurs when brokers and lenders place borrowers creditworthy for prime loans into higher-cost loans. This practice costs borrowers and neighborhoods millions of dollars over the term of high-cost loans, and is likely to occur in areas with wide racial disparities in lending. The Dodd bill would also strengthen enforcement and hold a wide array of actors including brokers, lenders, appraisals, servicers, and Wall Street investment firms, accountable for predatory lending. As suggested by NCRC, the City of Greenville is considering a resolution in support of the Dodd bill.

In addition to supporting federal action, NCRC recommended that localities commission comprehensive studies examining trends in prime and high-cost lending by neighborhood as well as race and gender of borrower. Localities can then target foreclosure prevention counseling and other interventions to neighborhoods receiving particularly large amounts of high-cost lending. NCRC also suggested that localities adopt the City of Philadelphia's approach that requires banks receiving municipal deposits to submit plans and goals describing the number and percentages of home and small business loans they intend to make to working class

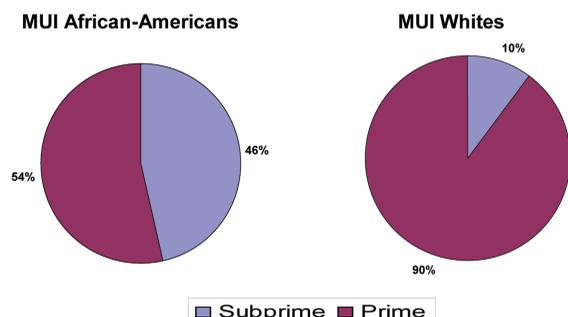
**"We have been extremely pleased to have the participation of NCRC on our panels throughout Connecticut. NCRC has brought depth and awareness to this critical issue, and helped our communities wake up to the threat that predatory lending has presented."**

Joan Carty, President and CEO, Housing Development Fund

and minority communities. Research shows that banks make higher percentages of prime loans than other lenders; therefore, motivating banks to make more loans should improve the level of competition and product mix in under-served neighborhoods. The Piedmont Housing Alliance and NCRC are currently exploring the possibilities of a more in-depth study.

Finally, consistency in promoting fair lending is needed to deter unfair and deceptive practices. The Housing Development Fund (HDF) in Connecticut invited NCRC to speak at events in Bridgeport and Danbury during 2007 and has invited NCRC back to speak in New Haven in the spring of 2008. Joan Carty,

Distribution of Loans to MUI Borrowers in the City of Greenville, NC, 2006



President and CEO of HDF states, "we have been extremely pleased to have the participation of NCRC on our panels throughout Connecticut. NCRC has brought depth and awareness to this critical issue, and helped our communities wake up to the threat that predatory lending has presented."

In Connecticut and elsewhere, these public events have attracted considerable numbers of stakeholders, members of the public, elected officials, and media. It is NCRC's goal that these public events are springboards for

concerted local action across the country to combat predatory lending and promote responsible lending.

NCRC will also be discussing fair lending topics at a forum sponsored by NCRC Board member Charles Harris, Executive Director of Housing, Education, and Economic Development (HEED), in Jackson, MS this spring as well.

If you are interested in NCRC addressing your community, contact NCRC Vice President of Membership and Coalition Relations, Marcy Meyer, at 202-628-8866. ■

## CommunityExpress Hits Record Numbers, Expands Coverage in New Areas *continued from pg. 8*

income (LMI) census tracts has risen to 31% of the total, but represent less than 27% of total loan amounts.

When the CommunityExpress program rolled out in 1999, the pilot program was scheduled to terminate in September 2005. Its success in reaching underserved small businesses and expanding SBA lending to target markets led to the extension of the program several times and the program will culminate in March of this year. A legislative initiative by Rep. Melissa Bean (D-IL) to make CommunityExpress permanent, as well as other changes to SBA's large 7(a) program, passed the House by a narrow margin in spring 2007 but did not progress in the Senate. The pilot program may be extended into 2009

but details are uncertain at this time.

As *Reinvestment Works* has reported over the past two years, SBA has leaned toward basing CommunityExpress eligibility exclusively on geography (economically distressed areas) rather than on underserved populations by demographics such as race and gender. It appears at press time that this narrowing of eligibility is soon to be formalized in a Federal Register notice. To avoid a drop in lending to minority firms especially, NCRC expects this drastic change to be accompanied by a rule that any qualified business, regardless of location or ownership, may obtain a CommunityExpress loan up to \$25,000. ■

## Member Highlights

Recent activities by NCRC members highlight the many ways they engage community stakeholders to advance policies, programs and practices that bring much-needed financial resources and protections to their constituents.

NCRC members around the country were active in reaching out to legislators and local media outlets, using NCRC's online messaging tool and calling for the introduction of strong national anti-predatory lending legislation. In addition to online outreach, member groups including the **Woodstock Institute** and **LEED Council** in Illinois, **SJ Adams Consulting** in North Carolina, the **Northwest Indiana Reinvestment Alliance**, **Community Enterprise Investments** in Florida, **Rural Opportunities, Inc.** in New York, the **California Reinvestment Coalition**, **River Cities Development Services** in Iowa, the **Fitz Center for Leadership in Community** in Ohio, **Metropolitan Milwaukee Fair Housing Council** in WI, and the **Delaware Community Reinvestment Action Council** went to work offline, making phone calls and meeting with legislators and their aides to end unfair and deceptive lending practices and promote homeownership protections.

NCRC members were instrumental in encouraging House leadership to introduce and pass a bill aimed at ending predatory lending. When the final product passed without some of the key provisions necessary to ensure fair lending, NCRC members turned to the Senate, supporting Chair of the Senate Banking Committee, Senator Christopher Dodd in his efforts to introduce an anti-predatory lending bill that was broadly inclusive. In late October, Senator Dodd introduced a bill that contained many of the provisions NCRC asked for.

NCRC members continue to play lead roles in organizing workshops and trainings that inform and inspire. In October, NCRC member **New York State Rural Advocates** presented a workshop to increase awareness of the need for quality housing counseling services across New York State. The workshop was one of many offered at the 28th annual Affordable Housing and Community Development Conference, sponsored by NCRC member group, the **New York State Rural Housing Coalition**.

To promote an effective response to the fair lending issues raised in NCRC's report, *Income is No Shield* (available online at [www.ncrc.org](http://www.ncrc.org)), NCRC members have also organized community events to engage local stakeholders in a discussion of the problem, as well as of potential solutions. The **Piedmont Housing Alliance** in Virginia was one of the member organizations who sponsored such an event, inviting the participation of NCRC staff who presented information on race-related lending patterns in the community and discussed community reinvestment, sustainable homeownership and other topics.

NCRC members continued their ongoing efforts to utilize the Community Reinvestment Act (CRA) to promote housing and economic opportunity. The **Community Reinvestment Association of North Carolina** (CRA-NC) and other community groups and individuals, including the North Carolina State Conference of the NAACP and the **Hamilton County Community Reinvestment Group** in Ohio, filed comment letters with the Federal Reserve Board on the proposed acqui-



**First Charter Bank CEO Bob James greets demonstrators outside of First Charter Bank's headquarters prior to the special shareholder's meeting, Jan. 18th, 2008, in Charlotte, NC. NCRC member organization CRA-NC and other civil rights and community development organizations gathered outside the meeting to protest the pending acquisition of First Charter Bank (Charlotte) by Fifth Third Bancorp.**

sition of First Charter Bank in North Carolina by Fifth Third Bancorp. The letters addressed the community reinvestment records of both Fifth Third Bancorp and First Charter and recommended positive steps that Fifth Third Bancorp could take to serve the credit, capital and banking needs of minority and lower-income individuals and communities. In January, CRA-NC and other civil rights and community development organizations organized a rally to advocate for a commitment by Fifth Third Bancorp to implement a meaningful community reinvestment plan in connection with the planned acquisition.

NCRC members also continued to contribute to the availability of data on credit, capital and banking concerns, which is key to effective action in the community reinvestment movement. The **Metropolitan Housing Coalition**, which serves the Louisville, Kentucky metropolitan region, released a study that documents the impact that foreclosures in their area are having on neighborhood stability, identifies factors that contributed to the problem and offers recommendations on how to respond, including suggestions on legislative reforms needed to promote responsible mortgage lending.

As always, NCRC members continue to engage community stakeholders, including financial institutions, elected officials and funders to support and participate in their community reinvestment and housing and economic development activities.

In January, the **Northwest Indiana Reinvestment Alliance** held the first meeting of its local Banker Community Council, which brings together area community groups and financial institutions to identify opportunities to work jointly to promote community reinvestment objectives.

On the west coast, the **California Reinvestment Coalition** worked with eight financial institutions and two private foundations to establish the California Home Ownership Preservation Initiative, which will provide over \$5 million in funding to help non-profit organizations serving troubled mortgage borrowers add counselors to their staff rosters to better meet the rising demand for foreclosure prevention assistance.

Several NCRC members, including the **Metropolitan Saint Louis Equal Housing Opportunity Council** in Missouri, the **Fair Housing Council of Northern New Jersey**, the **Housing Research and Advocacy Center** and the **Miami Valley Fair Housing Center** in Ohio, the

*continued on pg. 12*

## The CIN Reaches the One Million Mark *continued from pg. 8*

### FOR NCRC MEMBERS:

All NCRC members can have their organization's profile listed in the **Stakeholders** and **State Information** sections providing a prominent Web platform for their programs, services and accomplishments. In addition, CIN editors post NCRC members' news releases, newsletters and new program information in the state sections and in the national homepage news categories.

**Profiles:** There are almost 500 NCRC member profiles in CIN — to check your organization's profile sign on to [www.communityinvestmentnetwork.org](http://www.communityinvestmentnetwork.org), then click on the State & Local Information section on the left menu, select your state from the list, and go to the State page and scroll down to the listing of NCRC Member Profiles. If you are not on the first page, Click Next to go to the additional pages and find your organization. If you want to change your information or add a new profile, please submit your information to [info@communityinvestmentnetwork.org](mailto:info@communityinvestmentnetwork.org).

**Organization News:** Do you have news releases, newsletters or program information you wish to share with others? Please send your material to: [news@communityinvestmentnetwork.org](mailto:news@communityinvestmentnetwork.org).

**Become a Registered User:** Registered users receive weekly "Alerts" focusing on critical issues in the news along with newsletters and other information to inform and educate. If you are not yet a registered user, go to the CIN homepage — top right corner and click on **Register Now** and complete the short information form.

**Sponsorship:** The Community Investment Network<sup>SM</sup> resource is made possible by the generous grants of several financial institutions including: Bank of America, US Bank, WaMu, Chase, Citi and HSBC. NCRC believes that community leaders, civil rights advocates, academics, and consumers will be better informed and empowered as individuals and organization leaders through access to reliable, timely, and comprehensive information as presented in the CIN Web resource.

Do you have ideas, comments, or suggestions that could help make the CIN be even more powerful and comprehensive? Send them to [editor@communityinvestmentnetwork.org](mailto:editor@communityinvestmentnetwork.org). ■

## Minority Business Center Forges Link with International University

The Washington, D.C. Minority Business Enterprise Center (DCMBEC), operated by NCRC, has launched an innovative partnership with a source of skilled business professionals for minority-owned companies that are clients of the Center.



Roger Powell, Chair of the Business Programs Department at Virginia International University, acknowledges the '2007 Minority Business Advocate of the Year Award' from DCMBEC Director Owen Jackson and Director of Finance Allison DeFoe.

Virginia International University attracts students from around the globe who seek an undergraduate or graduate education in business management and/or technology. Based in Fairfax, VA, the university offers students a chance to live and learn in proximity to the Nation's Capital and the high-tech business environment of Northern Virginia.

Alert to opportunities that can benefit minority-owned business clients, DCMBEC Director Owen Jackson developed a relationship with the Chair of VIU's Business Programs Department, Roger Powell. Many VIU graduates want to advance their business and technological skills in the workplace, but they require an appropriate visa to extend their stay in the United States. A prospective employer needing the professional expertise of the non-U.S.-resident graduate can request the H-1B visa for that indi-

vidual, which is good for three years and may be extended another three. The H-1B visa holder can later apply for a Green Card if the employer wants to sponsor the employee's application.

DCMBEC's strategic partnership with Virginia International connects the MBEC's client companies with VIU graduating students, providing a pool of highly qualified business and technology professionals who are eager to work in American firms.

DCMBEC itself has led this creative venture by hiring Aliya Nagimova of Uzbekistan, a recent VIU graduate with a MBA in international business and finance. As an NCRC employee, Aliya puts her education to work, helping minority business enterprises advance to the next level. ■

## Member Highlights

*continued from pg. 11*

**Housing Opportunities Project for Excellence, Inc.** in Florida, the **Fair Housing Council of Suburban Philadelphia** in Pennsylvania, the **Metropolitan Milwaukee Fair Housing Council** in Wisconsin and the **Delaware Community Reinvestment Action Council**, were awarded Fair Housing Initiatives Program (FHIP) grants from the U.S. Department of Housing and Community Development (HUD) to support fair housing/fair lending education and outreach and/or enforcement activities.

Two of NCRC's Economic Justice Campaign (EJC) coalitions secured funding specifically for their EJC activities. The **Delaware Community Reinvestment Action Council** received a grant from the Longwood Foundation for site development for its new Economic Impact Center. The **Louisiana Community Reinvestment Coalition** received a grant from the 21st Century Foundation that will increase the organization's capacity to champion equal access to responsible credit and capital as Louisiana continues to rebuild after Katrina.

NCRC celebrates the success of all of its members. Congratulations and keep up the great work in your communities!

*Does your group have a campaign highlight or successful activity you'd like to share in Member Highlights? Contact Member Organizing and Advocacy Associates Lita Dunn Grossman at 202-464-2728 or lgrossman@ncrc.org or Sarah Bedy at 202-464-2719 or sbedy@ncrc.org. ■*

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727 15th Street, NW Suite 900  
Washington, DC 20005  
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