

From: K.F.
Subject: CRA Regulations Hearings

Comments:

August 26, 2010

Federal Reserve Board

Dear Federal Reserve Board:

If CRA had covered more lenders, the economic collapse wouldn't have been so drastic or could have been avoided altogether. Please expand and modernize CRA to cover more lenders to protect communities and borrowers like me.

Federal Reserve Board,

My husband and I learned about the "great investment" opportunities in buying houses, starting in 2005 from taking an Adult Education class offered locally and through Marshall Reddick. We are a low-middle income household. We are in our early to mid 50's and don't have that much retirement built up. In fact, my husband doesn't have a retirement account and I only have 15 years in CA public education so far. We believed that buying a few single family homes in good locations would be a solid investment (for our retirement) as that is what we were told again, and again by those in the business. So we refinanced our home and took out equity to finance our investments. We put down 10 % on one home and 20% on the others. We both had excellent credit. But many of the homes lost value, and one in Reno lost more than 1/2 it's value and our down-payment amount was \$80,000. (20%). We also spent another \$15,000. on yard upgrades; insulation and paint in the garage and house. But the only loans that the banking industry would offer us at the time of sale, were the negative AM loans. Everyone said "not to worry"; "in a few years" you can simply refinance. The housing market has cost us our retirement, and the fact that we will now be unable to live in our own home (which we have lived in for 15 years) into retirement because we will not be able to afford the mortgage now- since we took equity out of it and owe so much on it due to the other housing investments. Our own home (that we live in), too, has lost nearly 40% of it's value.

. All these years we have been honest, conscientious consumers taking care to pay of all our debts and take care of our responsibilities. The mortgage lenders that we have tried to work with to negotiate new loan terms have been very deceptive, constantly changing their rules, programs and are very fond of saying "no", "no" , "no". This is especially true of Aurora, Bank of America, and Chase. Most of our mortgages were sold at least 3 times in the 5 years we have had them, thereby making money each time it is sold for the banks. Yet they are selfish and greedy and not trying to help the average American in trouble with their mortgage loan. Please expand and modernize the CRA to protect more borrowers like us.

thank you