

Developing a State Level Asset Building Policy Campaign

NALCAB Conference
September 24, 2009
Los Angeles, CA

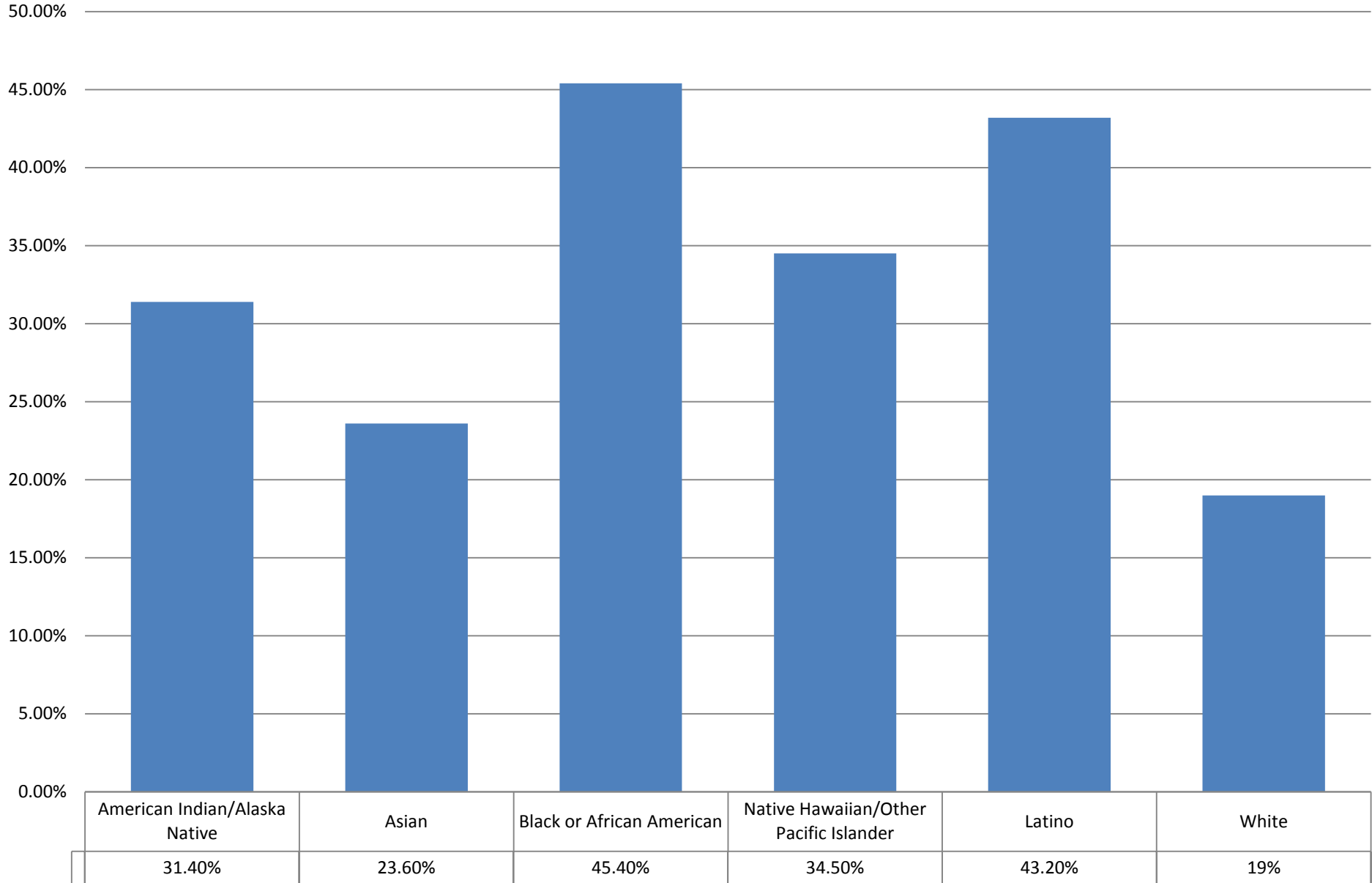
Kevin Stein
California Reinvestment Coalition

Outline

- Asset Preservation Context: Disparate Impact of Crisis
 - Surveys
 - Research
- Campaigns
 - Tenants in Foreclosed Homes
 - Homeowners in Foreclosure - Watchdog form
 - Payday Lending
- Advocacy Opportunities
 - State bills – AB764; AB1588; payday?
 - Banks
 - Federal bills? Regulatory reform; CRA Mod; BK
 - FRB's Reg Z Proposal – coalition comment letter. Ex. Language
- Join us!

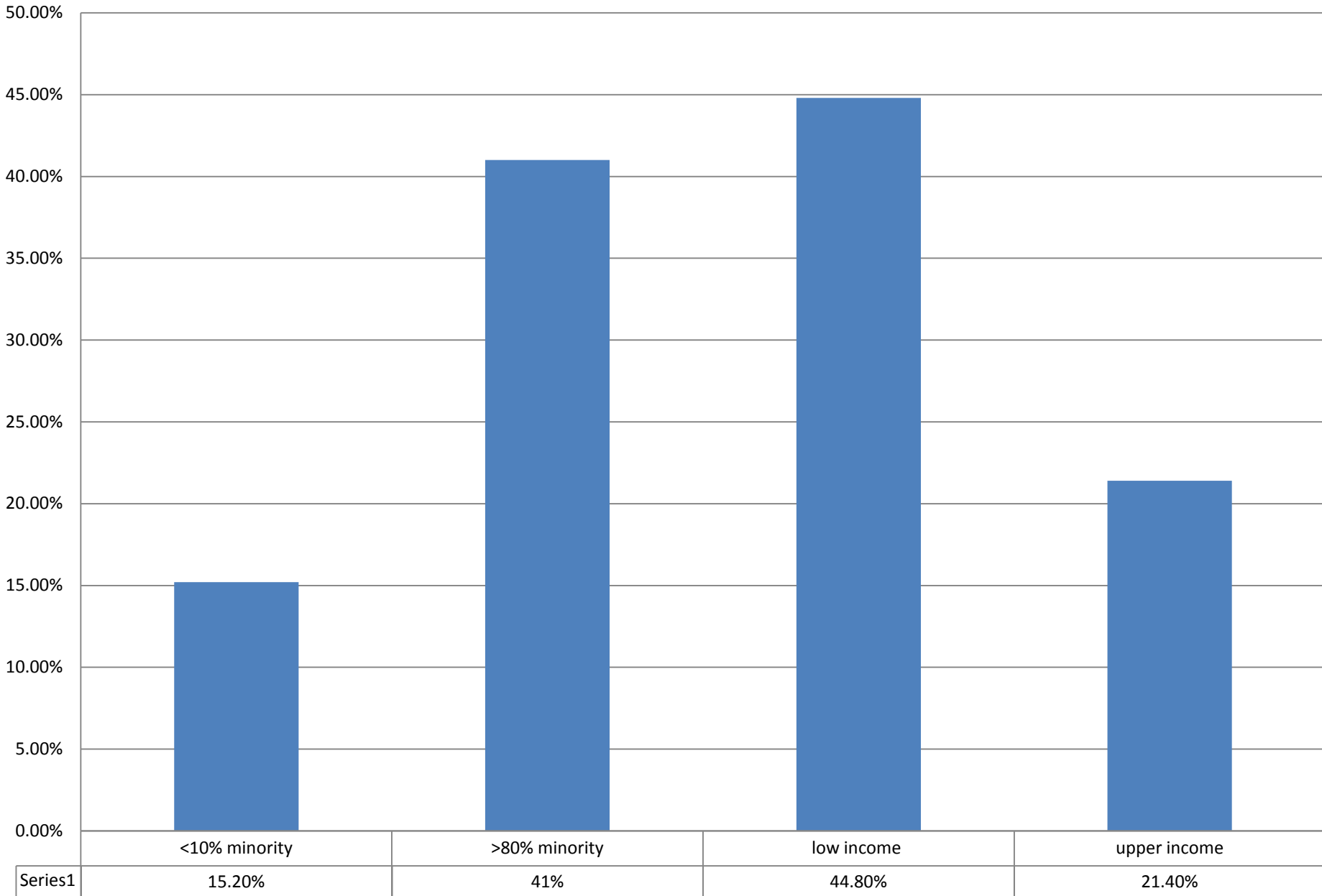
Subprime Lending by Race and Ethnicity of Borrower: California 2006

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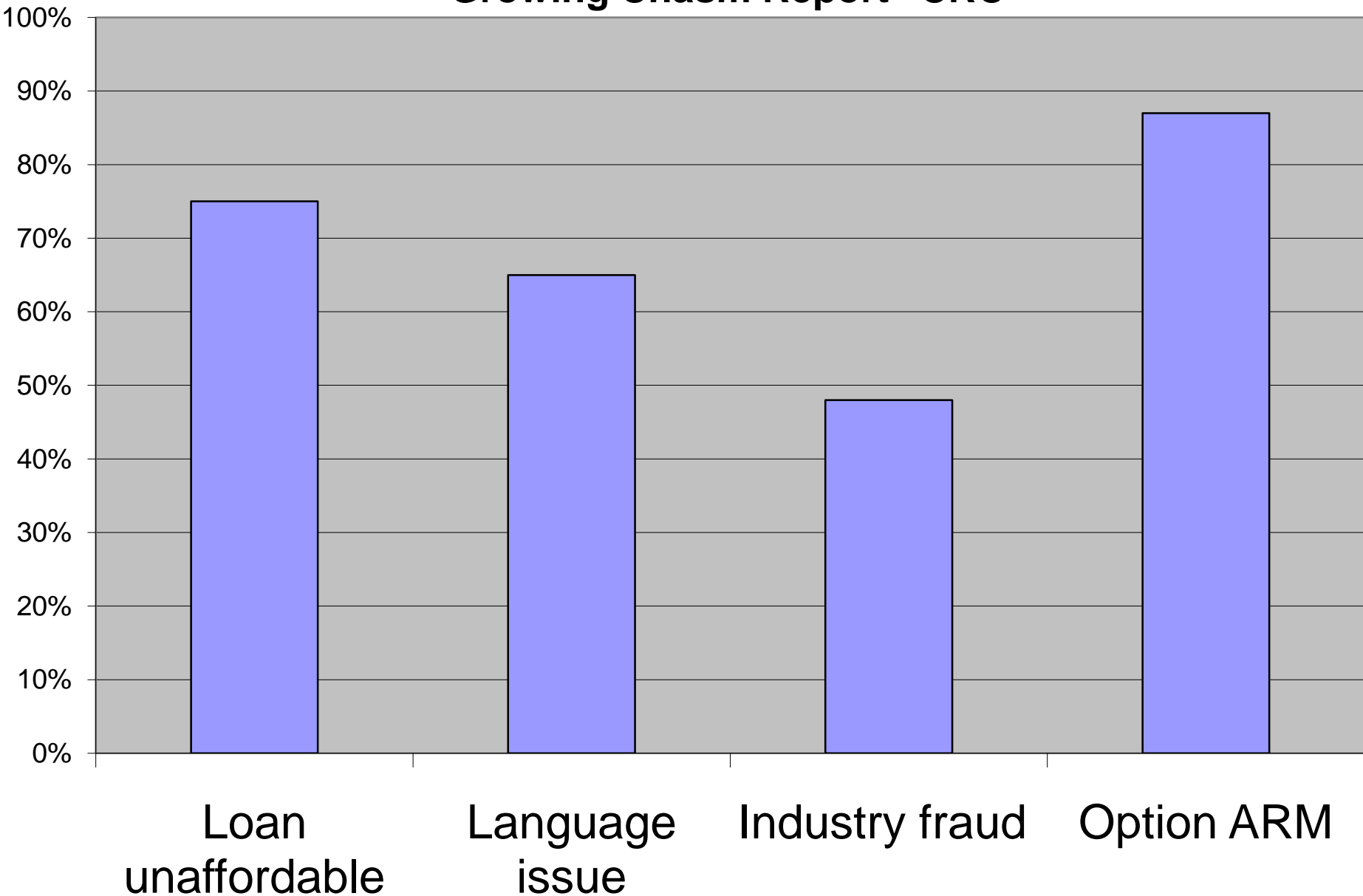


Subprime Lending by Race and Income of Neighborhood: CA 2006

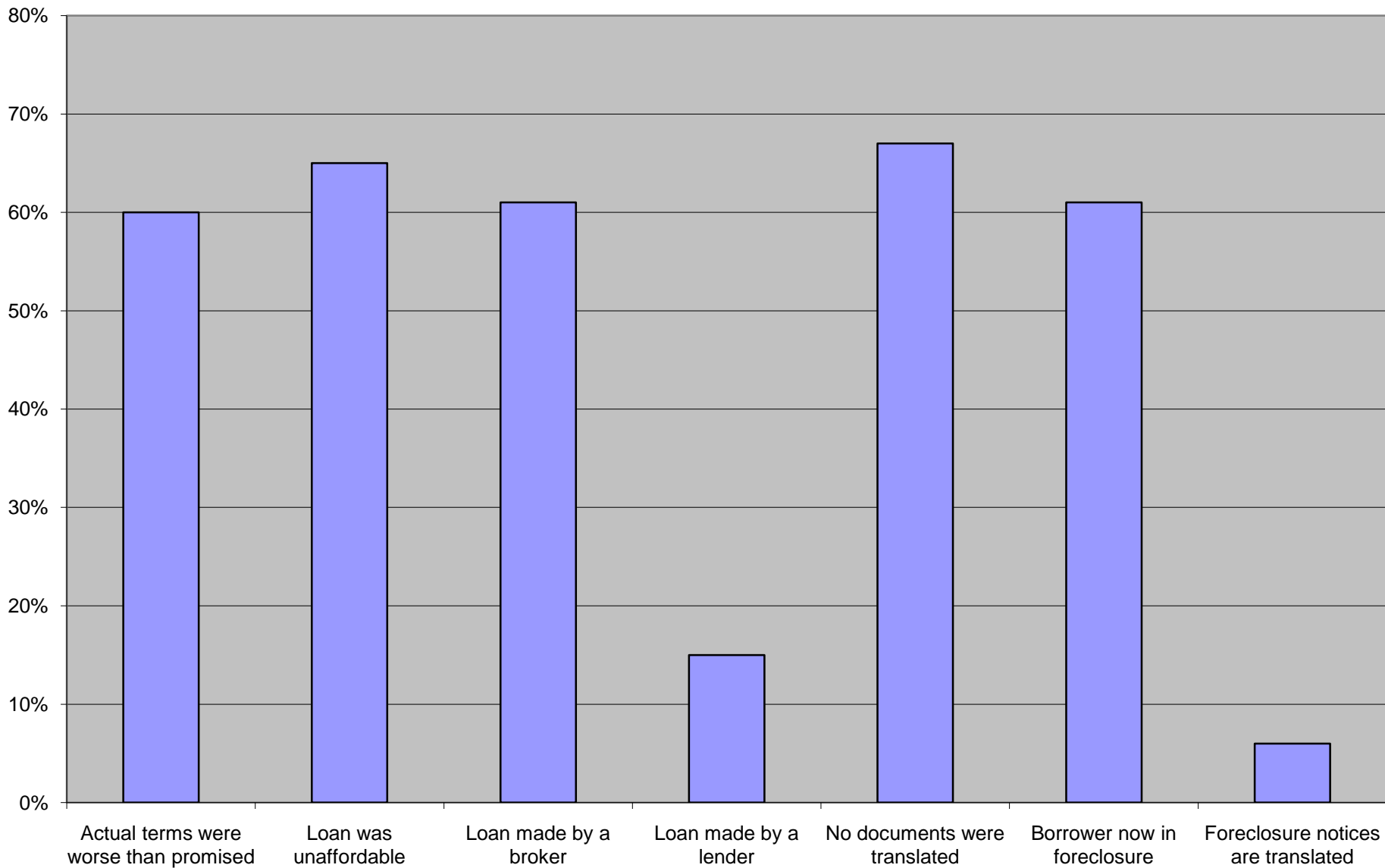
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**Reasons for Current Borrower Distress: % of Counselors Reporting Reasons as Very Common for March 2009:
“Growing Chasm Report” CRC**

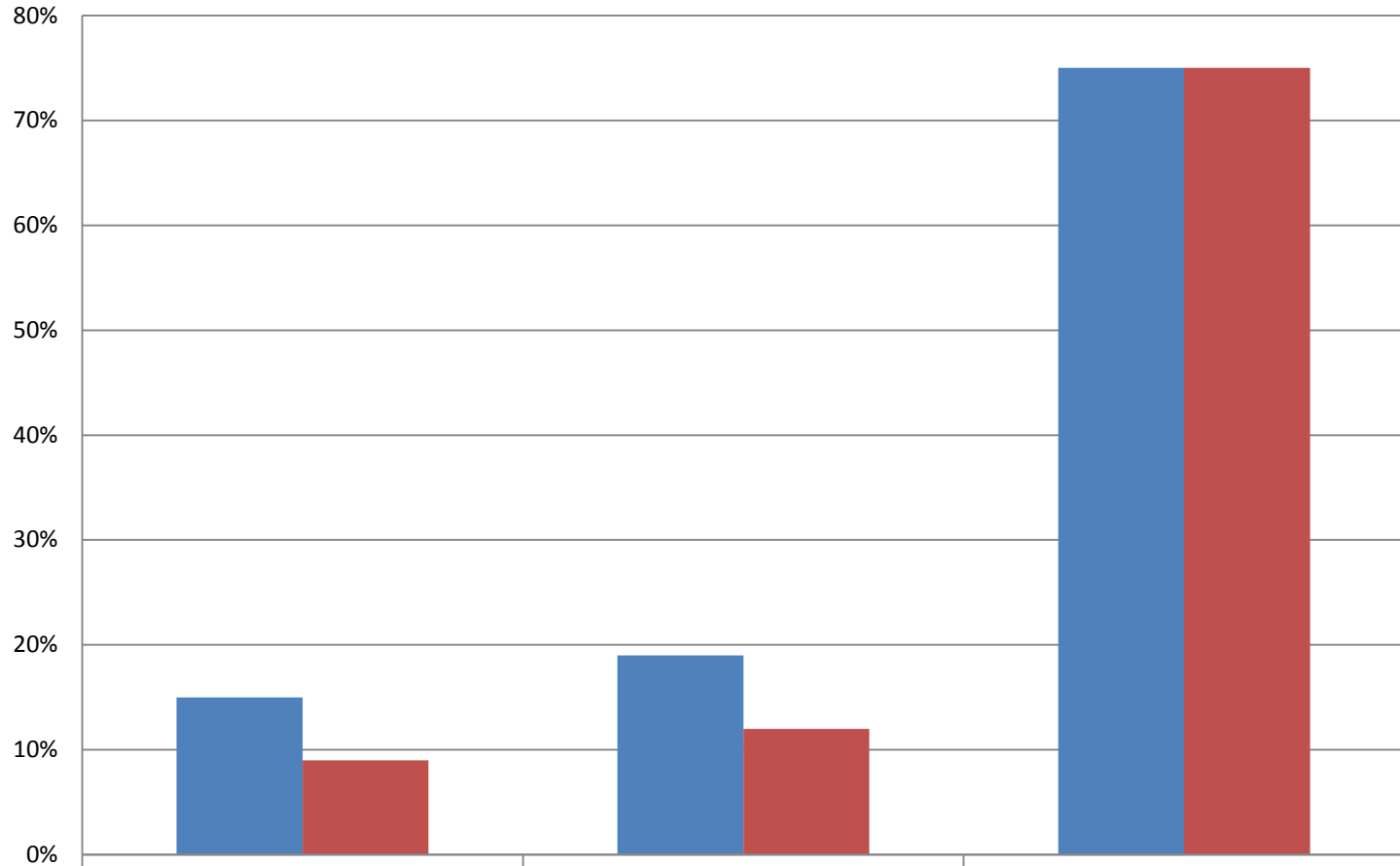


Targeting Non English Speakers for Loans: % of Counselors Reporting the Following as Very Common: California March 2009



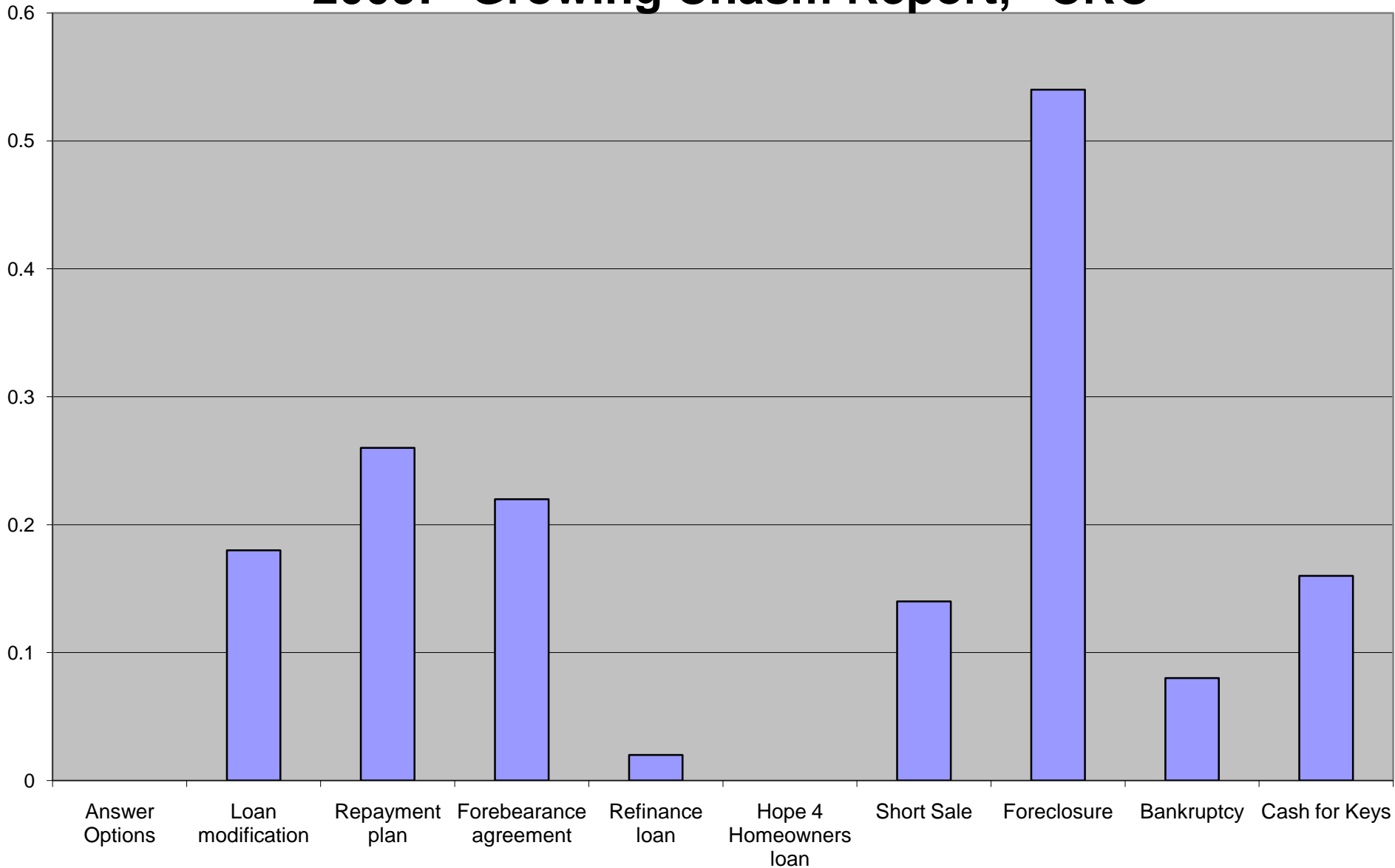
How Is HAMP Going?

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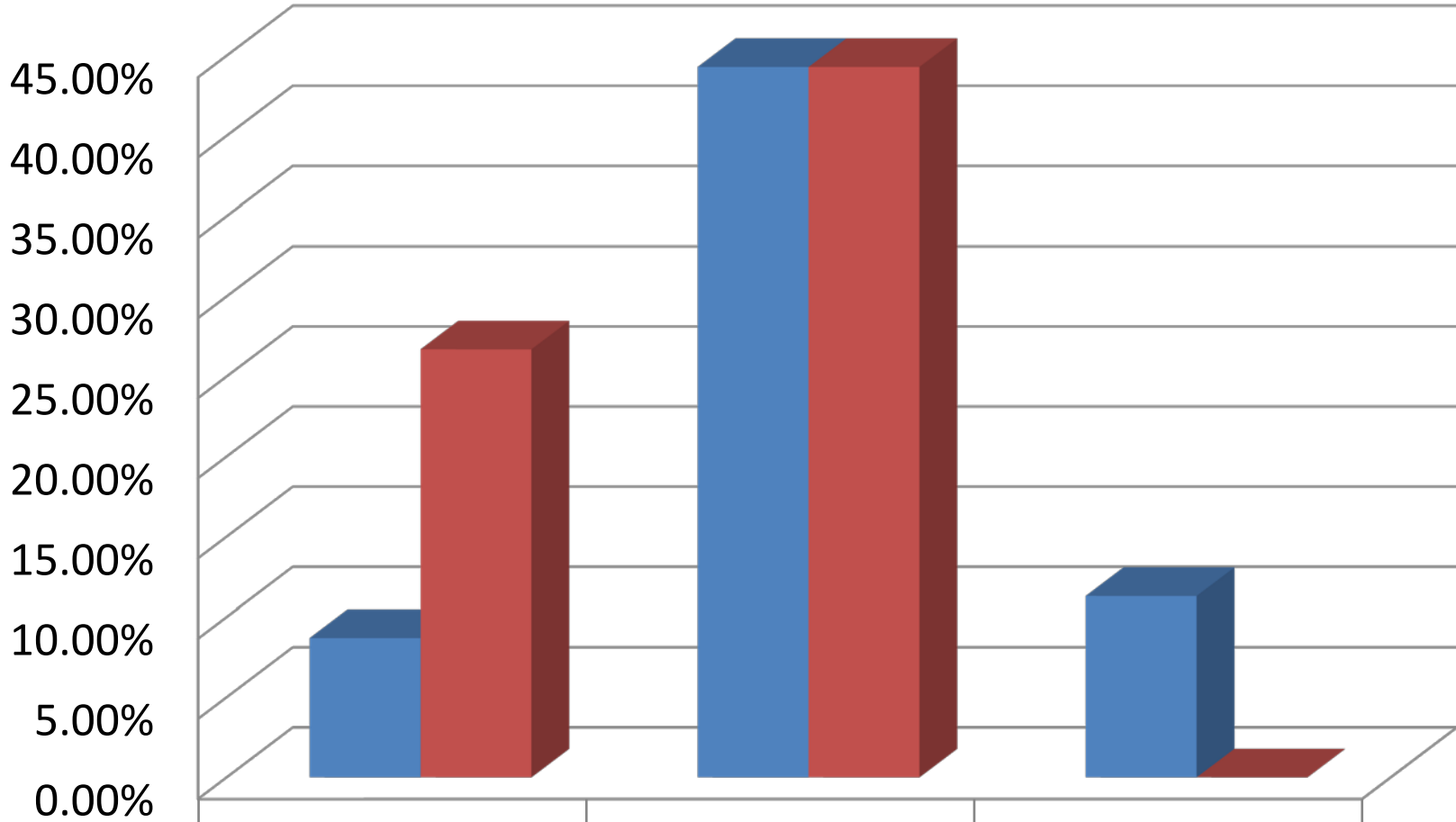


■ Trial Plan Offers	15%	19%	75%
■ Trial Mods	9%	12%	75%

Borrower Outcomes: % of Counselors Reporting Certain Outcomes as Very Common for March 2009: "Growing Chasm Report," CRC



Stockton Foreclosures in 2008 by Race, Ethnicity of Zip: Draft California Reinvestment Coalition Analysis



■ % of HHs	8.70%	44.30%	11.30%
■ % of Foreclosures	26.70%	44%	0.00%

I. Tenants in Foreclosure

- 1/3 of those impacted – Tenants Together
- Innocent and unseen victims
- BofA/CW Fed hearings in LA– 60 days, cash for keys
- SB1137 – ACORN, CRC, CU, CRL, Labor, CalPIRG
- June 11 action – Bank evicted tenants
- Op ed, media
- Engaging with banks – trustees and servicers
- Generating tenant complaints for OCC

Banks & Greedy
Investors "R"

In  Court
With
Homeown

Get TARP
families
vict

II. Loan Mod Watchdog Complaint Form

- www.tinyurl.com/watchdogform - flyers
- Try to obtain better outcome for clients
- Monitor main federal and state plans
 - California Foreclosure Prevention Act
 - SB1137
 - Making Home Affordable Plan
- Create accountability
- Identify areas for policy reform
- Feed into state legislative hearings

1. Which foreclosure prevention initiative did your borrower seem eligible for, or that could've or should've provided assistance, but did not?

Federal Making Home Affordable Program (HAMP)

California Foreclosure Prevention Act

SB1137 (Civil Code section 2923)

Other (please specify)

4. Servicer performance related to HAMP

INCORRECT OR INAPPROPRIATE (HAMP) RESPONSE ISSUES:

- Servicer Incorrectly Calculated Qualifying Data (31% Housing Ratio)
- Servicer Incorrectly Determined Borrower Did Not Qualify
- Servicer Incorrectly Determined Target Payment
- Servicer Incorrectly Determined Net Present Value
- Servicer Claimed That Since Borrower Was in a "Plan" That It Couldn't Help Them
- Borrower Was Told They Must Apply for a Refinance Before Being Considered for a Modification
- Servicer Failed to Refer Borrower to HUD Approved Counseling Agency When Housing Ratio Was > 55%
- Other (please specify)

1. Regarding SB1137 (California Civil Code §2923) Compliance...

	YES	NO
Did anyone contact borrower to discuss loss mitigation options before NOD?	0	0
Were any mailings received by certified mail, return receipt requested?	0	0
Does NOD include the proper Declaration of contact made, attempt, or surrender?	0	0
Is the NOD Declaration accurate and agree with information provided by Borrower?	0	0
Does NTS/NOS include Declaration of contact made?	0	0
Is the NTS/NOS Declaration accurate and agree with information provided by Borrower?	0	0

As far as you know, who is the mortgage holder?

- Fannie Mae
- Freddie Mac
- Private Investor
- Servicer Refused to Tell Me
- Don't Know
- Don't Know How to Look This Up!
- Name of Investor if known, or add comment here.

3. Borrower demographic data, Please check all that apply:

- African American
- Latino
- Asian
- Pacific Islander
- Native American
- White
- Other Ethnicity or Unknown
- English as a Second Language
- Senior (over age 62)
- Disabled
- Low income (less than 50% of Area Median Income)
- Moderate Income (50-80% Area Median Income)
- Middle Income (80-120% Area Median Income)
- Upper Income (over 120% Area Median Income)

III. Payday Lending Campaign

- Loans prevent savings and asset accumulation
 - Short term loans at 460% APR
 - Cycle of debt – 10 loans/year for avg borrower
 - Disproportionately to military, people of color
- CRC supporting local land use ordinances
- Oppose bad state bill – AB377
- Support federal rate cap legislation
 - S.500 and HR1608

State Legislative Campaigns

- Loan mod scam bill to Gov – AB764 (Nava)
 - Prohibits advance fees
 - Only collect fee for getting loan mod
 - LA and SF have local ordinances!
- Mediation bill introduced - AB1588 (Speaker, Nava, Lieu)
 - Promote mediation-like option for Bs
 - Enforce loan mod recommendations
 - May include principal reduction
 - Statewide hearings – opportunity?
 - Importance of online complaint form!
 - CRC will convene calls

Federal Leg/Reg Campaigns

- CRA Modernization Act – HR1479
 - CRC organized Congressional visits
- Consumer Financial Protection Agency
HR3126
- Judicial Modification???
- Regulation Z – Disclosures
 - Restrict, prohibit YSPs
 - Language translation in proposal, thanks to CA?
 - Working group to draft comments – HERA, CRC

AMERICAN
DREAMS
NOT
COUNTRY
SCHEDULE

rica
ISE

Bank of America

**Bank of America
DON'T
FORECLOSE
on America**
California Reinvestment Coalition

Every 30 Minutes
Someone loses a home
in Los Angeles —
STOP FORECLOSURE!

**MERGER
a PLAN**

Bank of America

**Bank of America
DON'T**

Interviewer: A man in a white shirt and glasses is speaking into a microphone, holding a small cube-shaped microphone.

Panelist: A woman in a black blazer and white top is speaking into a microphone. A name tag on her chest reads "PANELIST".

Microphone: A hand is holding a professional microphone with a fuzzy windscreen, positioned to capture the panelist's speech.