

From: Chris Estes [mailto:cestes@nchousing.org]
Sent: Monday, May 09, 2005 5:49 PM
To: Comments
Subject: OCC Docket Number 05-04/RI-1225/RIN 3064-AC89

Chris Estes
605 East Lane Street
Raleigh, NC 27601

May 9, 2005

Robert Feldman
Federal Deposit Insurance Commission
550 17th Street, NW.,
, DC 20429

Dear Robert Feldman:

I write to comment on the proposed changes to the regulations of the Community Reinvestment Act (CRA) (P.L. 95-128). While this proposal is an improvement over the proposal issued in early 2004, it still erodes CRA's basic mission of encouraging lending, investments, and services to low- and moderate-income people and to underserved communities.

I support maintaining the Three-Part Test. The proposed "Community Development" test, even with the requirement of a "Satisfactory" rating on both tests to get a "Satisfactory" CRA rating, is not adequate to ensure investment dollars and retail financial services reach low-income communities.

Define "underserved rural areas" as areas below 90% of Area Median Income. In cases where that criteria is inappropriate, permit the CDFI Fund's definition, incorporating out-migration and population loss as well as poverty and income statistics to be used.

Please keep the requirement that "intermediate small banks" report on originations and purchases of small business, farm, and community development loans.

Please withdraw this proposal, maintain the current three-part CRA test, and consider ways to strengthen CRA to hold financial institutions accountable and benefit low- and moderate-income people and underserved communities across the country. Thank you for the opportunity to comment.

Sincerely,
Chris Estes
919-923-1694