
From: John Reilly <jreilly@fordham-bedford.org>
Sent: Friday, May 17, 2013 12:24 PM
To: Comments
Subject: Community Reinvestment Act

We are a 33 year community sponsored housing organization in the Northwest Bronx, NYC. We oversee the operations of 110 buildings with more than 3500 apartments. We supervise renovations and new construction of affordable housing.

Our organization is very concerned with the increases in bank fees in recent years. We feel the banks have taken extreme advantage of the financial crisis in order to raise fees. One of the most egregious is the charge for FDIC insurance. When the FDIC raised insurance coverage on bank deposits, many banks began charging a fee for the first time to cover the increased coverage. When the FDIC decreased the coverage back to \$250,000 the banks maintained the fee and maintained it at the same amount as when the coverage was higher. They attempt to charge more for fraud coverage and other new expenses and all while paying less and less interest on deposits.

We are also concerned with the types of loans being made on multi-family buildings. Short term, interest only loans at excessive amounts is what got our housing in trouble during the financial crisis. They are making these very risky loans again. None of this money goes into building improvements. They are speculative loans and investments of the most extreme kind and only serve to drive up rents and destabilize affordable rental housing. The banks should not be given CRA credit for these types of loans.

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