WOODSTOCK INSTITUTE
2007 ACCOMPLISHMENTS

Introduction

Woodstock Institute has a 35-year history of working to increase assets for lower-income and minority families and communities. Woodstock Institute has always combined analysis with technical assistance to neighborhood groups working to improve their local economies. One key to Woodstock Institute's added value is that there is a constant two-way connection between our policy research and our day-to-day involvement in policy debates.

In 2007, Woodstock Institute made a significant contribution to the predatory lending debate through unprecedented national media coverage of its mortgage and consumer finance research. For many years, Woodstock Institute has documented the concentration of subprime lending and high cost consumer credit in Chicago's lower-income and minority communities. As a result of the heightened public interest in these two issues stemming from the foreclosure crisis brought on by poor and often fraudulent underwriting criteria, Woodstock was in a unique position to shape the debate on a number of key reform efforts including a recently passed moratorium on interest rate hikes on certain types of subprime loans.

One key report, *There Goes the Neighborhood: The Effect of Single-Family Mortgage Foreclosures on Property Value*s, documented the significant negative effects of concentrated foreclosures on neighborhood property values, and emerged as one of the most influential pieces of research in the debate on how to best craft an effective response to the rise in both consumer loan defaults and mortgage foreclosures. This report was widely cited by the national media and used by several prominent research organizations to calculate the local impacts of the growing foreclosure crisis.

Woodstock Institute's broad body of research also offered key practical information to policymakers, local community organizations, and the media on how other types of unfair or deceptive lending contributed to the ongoing global lending crisis. A summary of this research, policy development, and advocacy work is provided below.

Educating the Public on the High Cost of Refund Anticipation Loans

Woodstock Institute developed several policy statements on the community level impact of refund anticipation loan usage for widespread distribution to community organizations, policymakers, and the media.

This information was successfully used to inform the public about the high cost associated with tax refund loans, placed several high profile stories in local and national media outlets, and pushed all three national financial institutions offering tax refund loans to cease pre-season tax lending.

Woodstock Institute also released *Refund Anticipation Loan Lending in the Chicago Region* using the recently released and expanded Internal Revenue Service data for 2003. The report showed that recipients of the Earned Income Tax Credit (EITC) are five times more likely to use RALs than nonrecipients in the Chicago region and that taxpayers in predominately minority communities are over nine times more likely to use a tax loan than taxpayers in predominately white communities. It also found that south suburban Chicago is heavily impacted by the high cost of tax refund loans. Of the top 15 communities in the Chicago region ranked by RAL usage, nine of these are located in the south suburbs.

Woodstock Institute provided extensive technical assistance to several community organizations using its research to build awareness in their communities of the high cost of refund anticipation loan usage in lower-income communities. North Side Community Federal Credit Union, which offers free tax preparation in conjunction with its low-cost, inclusive accounts program, regularly cites the impact of concentrated refund anticipation loan usage in several successful proposals, resulting in a substantially increased free tax preparation program during the 2007 filing season. A social service provider in the south suburbs of Chicago also used Woodstock's refund loan anticipation report to build awareness of the problem among local mayors and managers.

The Institute is also the Illinois partner in a four-state (also California, New York, and North Carolina) community reinvestment collaboration that has made the cessation of "holiday loans" and other pre-tax season RALS its key priority. In January, the collaboration met in Trenton, New Jersey to publicize the windfall profits made by New Jersey-based Jackson Hewitt, one of the largest tax preparers offering refund anticipation loans. The collaboration's meeting resulted in strong regional news coverage. In March, Jackson Hewitt, and its bank partner HSBC announced that they would no longer make pre-season tax loans, or "paystub" loans, which are based on a taxpayer's projected tax refund which is calculated by using tax information printed on their pay stub and are available as early as mid-November. Shortly after this announcement, the two remaining financial institutions offering pre-season tax loans, JP Morgan Chase, and Santa Barbara Bank & Trust, announced that they would follow HSBC and cease offering this abusive expensive tax loan product. These announcements mark a significant victory for Woodstock Institute and the four-state collaboration in its effort to curb the rapid expansion of the high-cost tax refund loan industry.

Growing Lower Income Credit Union Membership through Community and Credit Union Partnerships

Woodstock Institute completed *Building Community Assets: Growing Lower-Income Credit Union Membership Through Community and Credit Union Partnerships* documenting the success of the Fresno West Coalition for Economic Development, Spokane Neighborhood Action Program, Community Action Project of Tulsa County, in establishing partnerships with mainstream credit unions to enroll new, lower-income members. It also identifies the strategies used to establish the credit union partnership, develop goals for the partnership and to negotiate an agreement with a credit union and includes the following recommendations to community organizations seeking to establish similar partnerships:

- *Consider Starting a Credit Union Partnership, Not a New Credit Union*. Many organizations begin planning to meet the financial services needs of their community by considering the establishment of a new credit union. Forming a new credit union is a tremendous regulatory and financial challenge, and it can take many years before a new credit union would have sufficient resources to provide full financial services, including checking accounts, consumer loans, and home mortgages. Partnering with an existing credit union can enable community residents to access these services within a few months.

- *Demonstrate Consumer Demand for Affordable Financial Services*. Many credit unions are not familiar with consumer demand for financial services in lower-income and minority communities. Community organizations that are able to document demand can demonstrate to credit unions the need for their services and emphasize the potential to increase credit union membership, and identify the types of financial services most in demand.

- *Credit Union Field of Membership Regulations Are No Longer An Obstacle*. Credit unions serve a field of membership which may include a geographic area, one or more businesses, an association such as membership at a school, church, club or other association, or an occupation. Increasingly, credit unions are adopting fields of membership that allow community residents to join. For those credit unions with fields of membership that do not include low- and moderate-income community residents, community organizations and credit unions alike need to think creatively about the establishment of a new field of membership.

- *Importance of Supportive Credit Union Regulations*. Public policy can make a difference. The National Credit Union Administration, which regulates federal credit unions, adopted a streamlined process for credit unions to expand their FOMs to underserved communities.

- *Involve Senior Management of Credit Unions in Partnership Planning.* It may be possible to establish relationships with junior credit union staff, including customer service representatives, loan officers, or branch managers. However, a more comprehensive partnership necessitates the participation of senior management. In addition, the commitment of senior management is crucial to obtaining the cooperation of other credit union staff.

- *State Credit Union Leagues Can Be An Important Resource.* State credit union leagues can recommend potential credit union partners and sometimes operate foundations that may be able to provide financial assistance to support the start up costs associated with the establishment of credit union partnerships.

- *Include Local Employers In Credit Union Partnerships.* Collaboration with local employers is an important part of expanding credit union membership to lower-income people. Employers, particularly those with large numbers of lower-wage employees, provide access to underserved consumers requiring affordable financial services. Other services, such as financial management skills, can be coordinated through the workplace. A growing number of businesses also require direct deposit of paychecks into a savings or checking account, requiring employees to have a relationship with a financial institution.

Utilizing one or more of these strategies, the credit unions successfully enrolled new, lower-income members proving that mainstream credit unions can successfully live up to their chartered mandate to serve lower-income people.

Analyzing Higher Cost Home Purchase Lending in Six Metropolitan Areas

Based on previous Woodstock research, there is real concern that the recent increase in foreclosures will have a disproportionate impact on predominately minority communities, given the concentration of subprime lending in those communities. To reiterate those concerns and demonstrate the national scope of this problem, Woodstock Institute released a report showing that the largest lenders with both prime and subprime businesses make a disproportionate share of their higher-cost loans to minority borrowers across the nation. The report, *Paying More for the American Dream: A Multi-State Analysis of Higher Cost Home Purchase Lending*, examines the cost of borrowing in six metropolitan areas in the United States. These areas include large urban areas - New York City, Los Angeles, Chicago, and Boston, - as well as the smaller urban areas of Charlotte, NC and Rochester, NY.

The report demonstrates that large disparities remain in the pricing of home purchase loans. The major findings show that:

- In these six metropolitan areas, African American borrowers were 3.8 times more likely to receive a higher-cost home purchase loan than were white borrowers.

- In the same six metropolitan areas, Latino borrowers were 3.6 times more likely than white borrowers to receive a higher-cost home purchase loan.

The study focuses on lending by Citigroup, Countrywide, GMAC, HSBC, JP Morgan Chase, Washington Mutual, and Wells Fargo. These lenders were analyzed because they are among the biggest financial institutions in the nation, and all originated a substantial volume of both higher-cost subprime and lower-cost prime loans.

- For these seven lenders, the percentage of total home purchase loans to African Americans that were higher-cost was six times greater than the percentage of higher cost home purchase loans to whites in the six cities (41.1 percent vs. 6.9 percent).

- In the same cities, for the same lenders, the percentage of total home purchase loans to Latinos that were higher-cost was 4.8 times greater than the percentage of higher cost home purchase loans to whites (32.8 percent vs. 6.9 percent).

- In each of the cities examined, the seven lenders combined showed larger African American/white and Latino/white disparities than those exhibited in the overall lending market.

- The worst disparity for any individual lending group was observed in Chicago, where African American borrowers were 14 times more likely to receive a higher-cost home purchase loan from Wells Fargo than were white borrowers (35.3 percent vs. 2.5 percent).

The report was also the first to be issued as a collaborative effort by the California Reinvestment Coalition, Community Reinvestment Association of North Carolina, Empire Justice Center, Massachusetts Affordable Housing Alliance, Neighborhood Economic Development Assistance Project of New York City, and Woodstock Institute. These organizations work collectively raising concerns about national lending practices that are negatively impacting local communities.

Documenting the Dramatic Increase in Chicago Region Foreclosures

In response to the recent spike in foreclosures and the crisis in the subprime mortgage market, Woodstock Institute released the *2006 Foreclosure Report*, providing the first analysis of the 2006 foreclosure available in the Chicago region. The report garnered widespread media coverage throughout Chicago and the surrounding suburbs.

The recent spike in foreclosures is in large part a product of the ongoing crisis in the subprime lending market. This crisis has been fueled by a number of factors including the growing popularity of a variety of risky adjustable rate mortgage (ARM) products that allow borrowers to have low initial monthly payments that adjust to much higher levels after a few years. These products often have interest rates that are fixed at a very low rate for an initial period of up to two or three years, but then adjust rapidly upward. Many of these products also offer the possibility of making interest only or negative amortization payments. While such products keep monthly payments low, they eventually adjust to much higher levels. It is at this reset point when borrowers often run into trouble.

The growing popularity of these complicated and risky products in the subprime market combined with loose mortgage underwriting standards that often include no documentation of borrower income have driven foreclosure rates to record highs. These loans were increasingly popular in 2005 and 2006. For example, the share of mortgage originations that were option ARM loans increased from 8.4 percent in 2005 to 12.3 percent through May, 2006. This indicates that the current foreclosure troubles will continue beyond 2007. As a result of Woodstock Institute's careful documentation of the size of the problem and the nature of the problematic loans, together with the concerns of other organizations and policy makers, the federal bank regulators have finally taken the first steps to stop risky loans by issuing an advisory letter to banks detailing practices that regulators find troublesome. The next step is for the regulators to enshrine this guidance into regulation and for the Federal Reserve Board to extend the regulation to all lenders under the powers granted to the Board in the Home Ownership and Equity Protection Act.

Measuring the Provision of Banking Services for the Underbanked

To better understand how regulators examine banks under the services test portion of the CRA examination, Woodstock Institute published *Measuring the Provision of Banking Services for the Underbanked: Recommendations for a More Effective Community Reinvestment Act Service Test* in April 2007. The report collected information on how federal examiners evaluated the distribution of bank branches and the quality and relative affordability of basic financial services, such as checking accounts. The results show that the service test components of the examinations contain insufficient quantitative data, superficial and inconsistent qualitative data, and a lack of performance driven measurements.

Woodstock Institute's staff presented the findings from this report to the board of directors of the FDIC as well as senior staff at the OCC--two of the four federal bank regulators. Woodstock also organized a meeting between community organizations and examiners from all four federal regulators to discuss ways to improve examination consistency and collect additional financial services data.

The report, along with these discussions, have made it clear that the implementation of the service test needs major improvements before the test can capture the reality of an institution's delivery of banking services to lower-income people. Woodstock Institute recommended that the following changes be made to allow the test to more effectively measure a bank's performance.

- Branch distribution should be measured in a consistent manner against the percent of low-and moderate-income households living in the bank's assessment area.

- Standardized data on new and existing retail checking and savings accounts should be collected and analyzed by regulatory agencies. These data should include information on account holder census tracts, year opened, and average annual balance.

- Examiners should institute a systematic analysis of the full cost of retail products which will allow for comparisons among institutions.

Woodstock Institute and others have also called on federal regulators to supplement data on how bank branches are distributed, with data on how they perform in reaching out to lower-income neighborhoods with appropriate and affordable financial services. While much of this data is currently available to bank examiners, it is generally not available publicly, substantially limiting its usefulness. The absence of such data from the majority of examinations reflects an institutional unwillingness on the part of the bank regulators to take the service test seriously despite the Congressional mandate.

Hosting the Chicago Premiere of Groundbreaking Documentary on Credit Cards

The terms and conditions of credit cards are publicly recognized as unfair and potentially deceptive, but few people are aware of the regulatory issues that surround industry reform. In February 2007, Woodstock Institute hosted the Chicago premiere of *Maxed Out,* a documentary describing the perils and pitfalls of the credit epidemic that continues to drive American consumer debt higher and cause the national savings rate to plunge. The Chicago premiere offered Woodstock the opportunity to deliver the findings of its recent work documenting the deceptive effect of credit card disclosures and provide key practical information on credit card debt to students, senior citizens, and low- and middle-income consumers.

The Chicago premiere was co-hosted by Columbia College and sponsored by 16 nonprofits working throughout the Chicago region to help working families stabilize their finances and build modest assets through avoiding high cost debt products such as payday loans, savings for retirement, paying off credit cards, medical debt, buying a home, or starting a small business. The film premiere was also part of a national campaign organized by Americans for Fairness in Lending, a public education organization, designed to highlight the efforts of local organizations working to increase access to fair, affordable financial services.

The premiere attracted 297 viewers and over 25 organizations, many of which were not actively engaged in the debate around the availability of fair and affordable financial products and services in low-income and minority communities but whose clients and constituents are directly impacted by the concentration of high cost, fringe financial services in their communities.

Researching the Sustainability of Credit Union-Based Payday Loan Alternatives

Credit unions can offer sustainable, affordable short-term credit at a fraction of the cost of traditional payday lenders, according to the findings from a Woodstock Institute report released in May 2007. Entitled *Cooperative Credit: How Community Development Credit Unions are Meeting the Need for Affordable, Short-Term Credit,* evaluates the emergency loan products offered by six credit unions participating in a joint program offered by the National Federation of Community Development Credit Unions and JP Morgan Chase.

The report showed that by adopting consumer protections to prevent over-borrowing and encouraging or requiring financial education contributes strongly to the success of the product. In addition to describing loan activity, the report identifies the financial and operational factors that account for program success. Case studies of ASI FCU, Bethex FCU, Faith Community CU, Northeast Community FCU, South Side Community FCU, and West Texas CU highlight the successes and opportunities of these products.

Unlike traditional payday lenders, which charge triple-digit interest rates for emergency loans and structure them in a way that makes it difficult for borrowers to meet anything more than the minimum interest payment, these credit unions offer loans that are lower in cost and offer a number of asset building components.

Many of the loan products required the borrower to deposit a portion of the periodic loan payment into a savings account to help build a cushion against future financial instability. The participating credit unions also worked to develop long-term relationships with borrowers, having learned that longer-term members had considerably better repayment records than new members. Several credit unions also used the credit reports of new borrowers to educate their members and help them identify any errors on the report.

Hosting Economic Development Lecture Series

Woodstock Institute hosted the ongoing workshop series *Keeping It Real,* designed to identify strategies to remove persistent obstacles lower-income communities face when promoting economic development. The workshops are hosted by leaders in community-based economic development who are willing to share their expertise in topics such as developing a community-based asset map to identify investment opportunities in underdevelopment urban areas, promoting locally responsive and sustainable retail development, and the promises and pitfalls of operating a social enterprise.

In January 2007, *Keeping it Real: Entrepreneurship Opportunities for the Formerly Incarcerated* highlighted innovative programs designed to help employ individuals with criminal records through job training and entrepreneurship programs. As the percent of African American males who have been incarcerated grows, the problem of how to integrate them into productive society has become a major concern for community and economic development nonprofits throughout the Chicago region. An additional concern is that certain communities often have high concentrations of formerly incarcerated individuals creating significant problems for specific neighborhoods. To address these concerns, the forum included speakers from two organizations that operate successful employment programs designed for formerly incarcerated men as they leave prison and re-enter the workforce.

The workshop featured two organizations working to expand opportunities for the formerly incarcerated. Men's Employment and Business Ownership Program (MEBOP) is a non-for-profit organization that provides entrepreneurship training and business counseling to low-income African American men, including ex-offenders, who are fathers of dependant children. St. Leonard's Ministries provides comprehensive residential and case management services to men and women who have been released from prison without the skills, housing, and employment resources necessary to help them re-enter the workforce.

The seminar was attended by 27 representatives from local community and economic development nonprofits seeking additional information on the types of organizations that have successfully engaged this unique population, the role of entrepreneurship in workforce reintegration, and the characteristics of a successful program.

Documenting Abuses in the Automobile Title Loan Industry

Automobile title lending emerged as a key consumer finance issue in 2007, with several states taking action to cap the rates title lenders could charge and provide additional consumer protections. To build a foundation for reform in Illinois, Woodstock Institute released *Debt Detour: The Automobile Title Loan Industry in Illinois* in September 2007.

This report, for the first time, provides a method for estimating the loan terms and conditions, default conditions, automobile characteristics, and borrower demographics of title loans in Illinois based on Cook County court cases filed against borrowers in default during 2005. It identifies key information on the title loan industry necessary to inform the public debate on how to best apply nationally recognized small loan consumer protections to the Illinois title loan industry. Currently, publicly available data on the number of title loans and borrower demographics is not readily available. However, court records of cases involving automobile title loan borrowers who have defaulted on their loans provide key statistics on the impact of such loans.

Key findings from an analysis of auto title loan default court cases:

- In 2005, the last year specific data on title lending licensees was provided by the state regulator, there were 63 title loan companies operating 260 stores throughout Illinois. Based on this information, title lenders operate in nearly every metropolitan region and in nearly every legislative district in Illinois.

- The median loan principal is $1,500, the median finance charge is $1,536, and the average annual percentage rate is 256 percent.

- Nearly all of the loans referenced in the court cases had terms of more than 60 days, allowing them to circumvent strong consumer protections passed in 2001. Two loans with terms of 60 days or less had loan principals greater than $2,000 in potential violation of state rules.

- Of the loans reviewed, 93 percent were structured so that the borrower made monthly, interest only payments and a final balloon payment of the entire loan principal. These types of loans may contribute to a series of refinances or renewals commonly described by consumer advocates as a "cycle of debt." In fact, 23 percent of the loans reviewed were used to repay a previous loan with the same lender.

- Eighteen percent of the automobile title loans in default resulted in the repossession or loss of the borrower's automobile. The repossession of a household vehicle results in the loss of a significant asset, decreased mobility, and the potential to reduce the ability of a borrower to get to work.

- Title loans are made against older, high mileage vehicles. The average age of a vehicle pledged as collateral for a title loan is 11.4 years, and the odometer reading at the time of the loan is 90,823 miles.

- Automobile title loans were also more likely to be made to male borrowers living in moderate- to middle-income, predominately minority communities.

- The average borrower pursued in court by a title lender faced median damages of $5,462 on a median loan of just $1,500 - nearly four times the original loan principal.

Commenting on Key Community Reinvestment Regulatory Changes

Comment letter to the Office of Thrift Supervision in Favor of CRA Regulatory Changes (January 19, 2007)

Comment letter on 2006 Office of Thrift Supervision proposal to make its Community Reinvestment Act examination procedures consistent with the other federal bank regulatory agencies.

Comments on 2007 FDIC Guidance on Small Loans (February 01, 2007)

Comment letter in support of the proposed FDIC Guidelines for Affordable Small Dollar Lending announced in early December to assist banks in responsibly meeting the small loan needs of their customers. The letter also supports the proposal to reward banks through the Community Reinvestment Act for developing appropriate loan products as well as the proposal to limit interest rates on these types of products to 36 percent.

Data Request Submitted to the National Credit Union Administration Clarifying the Examination of Credit Unions Holding a Low-Income Designation (April 20, 2007)

Requests that NCUA, which regulates federally chartered credit unions, discloses the number of credit unions receiving the low-income designation, the manner in which that designation was awarded, and the frequency in which those credit unions are examined for compliance with the low-income designation requirements.

Comment Letter on the Proposed Amendments to the Rule Implementing the Illinois Predatory Lending Database Pilot Program (May 21, 2007)

Suggests several methods for screening loans in such a way as to reduce the number of loans covered by the law and more effectively focus the act and the resources of counseling agencies on borrowers seeking higher cost loans with potentially risky features.

Comment Letter on Proposed Interagency Statement on Subprime Lending (May 21, 2007)

Suggests that the responsible underwriting guidelines and the disclosure of a mortgage's full cost proposed in the interagency statement be applied to all loans, not strictly subprime adjustable-rate loans.

Comment Letter Requesting a Public Hearing and Extension of the Public Comment Period for Bank of America's Application to Acquire LaSalle Bank (July 2, 2007)

Opposes the acquisition of LaSalle Bank by Bank of America on the grounds that it would violate the federal deposit cap and because the bank has **a** grossly inadequate presence in the lower-income and minority mortgage market in the Chicago region.

Comment Letter to the Federal Reserve on the Adequacy of Existing Regulation Protecting Consumers in the Home Mortgage Lending Market (August 15, 2007)

Comment letter submitted to the Federal Reserve recommending that, in addition to meaningful national predatory lending legislative, existing protections should cover loans originated by all lenders. It continues to state that the Board must use its rulemaking authority under HOEPA and adopt the above guidelines in order to protect consumers from mortgages with unfair and deceptive terms.

Technical Assistance

Technical Assistance in Chicago and the Surrounding Metropolitan Area

ACCION Chicago – Provided information on the pricing structure of refund anticipation loan programs operated by paid tax preparers.

Asset Builders Community Development Corporation – Discussed implications of national credit card policy and how it contributes to the increased level of household debt.

Bethel New Life Community Savings Center – Provided background information on the community and economic development implications of concentrated payday lending in lower-income communities as well as a summary of key Woodstock Institute research on this issue.

Brighton Park Neighborhood Council – Discussed the relationship between foreclosures and rising property taxes.

CAN-TV "26 North Halsted with George Blaise" – Provided an analysis of 2006 foreclosure trends in the Chicago region, background information on the problems faced by the subprime market, and the impact of foreclosures on property values in lower-income and minority communities.

CEDA – Furnished a series of consumer brochures describing affordable tax preparation options. Provided detailed description of the refund anticipation loan industry and a breakdown of loan utilization in low-income and minority communities throughout the south suburbs of Chicago in an effort to attract additional funding for free tax preparation and financial literacy training.

Center for Economic Progress – Identified press contacts at several financial policy trade publications for upcoming media outreach effort.

Chicago Reporter – Provided an analysis of subprime lending distribution in the Auburn Gresham community on Chicago' South side and discussed the results of the 2004 *Community Lending Fact Book*. Discussed several ongoing initiatives and the role of the subprime market in lending to the Hispanic community in the Chicago region. Provided technical assistance to analyze HMDA data and determine disparities in pricing.

Chicago Sun-Times – Discussed the implications of concentrated subprime lending and the impact of foreclosures on property values in lower-income and minority communities.

Chicago Tribune – Provided an analysis of 2006 foreclosure trends in the Chicago region, background information on the problems faced by the subprime market, and the impact of foreclosures on property values in lower-income and minority communities.

City of Chicago Department of Housing – Provided foreclosure data by municipality for the six county Chicago region.

City of Montgomery, Illinois – Provided background information on subprime lending and foreclosure trends in the Chicago region and the availability of foreclosure and lending data.

Daily Herald – Provided a letter to the editor outlining a national solution to ensure long-term affordability for subprime mortgage lending.

Donors Forum – Provided in-depth briefing on state mortgage lending reform efforts and recently passed legislation.

Federal Reserve Bank of Chicago – Provided information on how to aggregate community development investments from a variety of sources.

Freedman, Anselmo, Lindberg, and Rappe LLC – Provided background information on foreclosures and high cost lending in Illinois and nationally.

Harris Bank – Provided foreclosure statistics for Will County.

Hamilton County Community Reinvestment Group – Provided background information on local and national payday loan reform efforts including a summary of state payday loan legislation and the impact of the Illinois Payday Loan Reform Act on product pricing in Illinois.

Illinois Department of Financial and Professional Regulation Division of Financial Institutions – Provided a summary of state usury laws addressing the fees associated with short-term consumer credit.

Illinois Housing Development Authority – Provided information to IHDA representative on sources for information on the local impacts of the foreclosure crisis in Illinois.

Illinois Land of Lincoln Legal Services – Provided a detailed history of the enforcement of the Illinois Payday Loan Reform Act and the applicability of the subterfuge provision to installment loan lenders.

In These Times – Provided background information on subprime credit cards and the possible consumer credit issues resulting from the 2007 increase in foreclosures.

MacArthur Foundation – Complied data and produced maps on subprime lending, foreclosures, and vacancy in the Chicago region as part of an ongoing discussion on foreclosure intervention strategies.

Medill New Service – Provided detailed description of the refund anticipation loan industry and a breakdown of loan utilization in low-income and minority communities throughout the Chicago region. Proposed a method for determining renter and owner-occupied units and buildings from the 2000 U.S. Census data.

Metropolis 2020 – Provided a custom analysis of high cost mortgage and foreclosure data.

Midwest Community Bank – Provided information on the types of fees addressed in the Illinois Homeowner Protection Act.

Missouri State Representative John Burnett – Provided background information on the design and passage of the 2005 Illinois Payday Loan Reform Act.

Monroe Foundation – Provided a detailed history of state-based CRA requirements for financial institutions doing business with the state governments.

National Able Network – Provided technical assistance on forming a credit union partnership with a mainstream credit union to benefit lower-income employees seeking affordable financial services.

New Hampshire Community Loan Fund – Discussed opportunities for, and barriers to, the establishment of low-cost credit union-based alternatives to payday loans and provided background information on several successful models currently in operation.

North Side Community Federal Credit Union – Provided detailed description of the refund anticipation loan industry and a breakdown of loan utilization in low-income and minority communities throughout the Chicago region.

North Park University – Woodstock Institute's staff provided a lecture addressing the ability of community organizations to use applied research and policy analysis to affect long-term, systemic change. This lecture was presented as part of the university's community development program.

Office of Congressman Bobby Rush – Provided background information and recent data on subprime lending and foreclosures in the Chicago region.

Office of Illinois Attorney General Lisa Madigan – Provided detailed information on the collection, availability, and mortgage trends from the 2005 Home Mortgage Disclosure Act data. Prepared a summary of foreclosure data for Chicago region municipalities.

Office of Illinois State Representative Elaine Nekritz – Summarized current and proposed federal laws protecting consumers during a variety of financial transactions, including overdraft protection loans, automobile lending, credit reporting, and mortgage lending.

Office of Illinois Treasurer Alexi Giannoulias – Discussed strategies for defining subprime lending and determining which features associated with subprime lending are potentially predatory.

Office of Missouri State Representative John Burnett – Discussed Illinois' efforts to develop strong consumer protections for payday loan borrowers.

Partners in Community Building – Provided assistance locating and analyzing relevant Home Mortgage Disclosure Act reports for several community areas in the City of Chicago.

Shorebank – Provided detailed data on foreclosure rates in targeted neighborhoods.

Wieboldt Foundation – Provided detailed information on the prospects for and applicability of state-wide strategies for combating predatory mortgage lending.

WYCC-TV Chicago – Provided background information on the distribution of bank branches throughout the Chicago region and how new bank branches impact local communities.

National Technical Assistance

AFL CIO – Discussed various sources of foreclosure data and methods for analyzing that data.

Americans for Fairness in Lending – Provided background information on the ability of applied research organizations to disseminate information through organizational blogs.

NBC Nightly News – Provided an analysis of 2006 foreclosure trends in the Chicago region, background information on the problems faced by the subprime market, and the impact of foreclosures on property values in lower-income and minority communities.

Center for American Progress – Compiled detailed timeline on the legislative and regulatory changes to the Community Reinvestment Act from 2004 to 2007.

Center for Urban Pedagogy – Provided background information for a documentary on the subprime lending industry.

City of Los Angeles – Provided information on municipal foreclosure intervention strategies in the Chicago region including the HOPI initiative and the City of Chicago's 311 program.

CNN – Provided background information on the credit union industry and the lower fees and clear terms and conditions associated with credit union-issued credit cards, as compared to those issued by major banks.

Community Reinvestment Association of North Carolina – Provided background information on the collection and analysis of county level foreclosure data.

Dartmouth College – Provided information on recent research evaluating the effectiveness of financial literacy programs.

Bloomberg News – Discussed the connection between concentrated subprime lending and increased neighborhood foreclosures as well as recent federal responses to the problem of subprime lending.

Federal Financial Institutions Examination Council – Discussed the prevalence and community development impact of the over-branding of bank investments and grants.

Houston Chronicle – Provided an estimate of the impact of concentrated foreclosures on neighborhood property values.

U.S. General Accounting Office – Described the patterns and problems associated with high retail banking fees.

Los Angeles Times – Discussed the legislative and regulatory history of subprime and predatory lending regulation as well as the community reinvestment community response leading up to the March 2007 subprime lending crisis.

Memphis Debt Collaborative – Discussed different ways to reach out to constituents and how to achieve the greatest local impact with financial reform policies.

Metropolitan Housing Coalition of Louisville Kentucky – Provided sample comment letter on the proposed changes to the Home Owner Equity Protection Act.

Milwaukee City Council – Provided information on defining installment loans as part of an effort to change city zoning laws to limit the number of payday installment lender storefronts.

New York Times – Provided an analysis of 2006 foreclosure trends in the Chicago region, background information on the problems faced by the subprime market, and the impact of foreclosures on property values in lower-income and minority communities.

New Hampshire Community Loan Fund – Discussed Woodstock Institute's research documenting the sustainability of community development credit union-based payday loan alternatives.

Office of Congressman Elijah Cummings – Provided information on the characteristics of the subprime marketplace and borrowers who may qualify for prime credit.

Office of the Comptroller of the Currency – Provided several methods for assessing the density of bank branches in large metropolitan areas.

Opportunity Finance Network – Provided technical assistance and background research on the formation of credit union partnerships designed to serve the financial services needs of Native Americans.

Philadelphia Urban Affairs Council – Discussed local or state government-backed mortgage products that offer risk-based pricing.

Pratt Center for Community Development – Discussed strategies for promoting a marketable and consistent community economic development message.

Reuters – Discussed the implications of concentrated subprime lending and the impact of foreclosures on property values in lower-income and minority communities.

Shelterforce – Provided information on the availability of local and national foreclosure data.

South Florida Sun-Sentinel – Discussed the implications of concentrated subprime lending and the impact of foreclosures on property values in lower-income and minority communities.

Stanford Law School – Provided background information on Illinois predatory lending legislation and the availability of foreclosure and high cost lending data.

United Way of Boston – Contributed Woodstock Institute's research on evaluating the effectiveness of financial literacy programs to a forthcoming toolkit for grantees.

USA Today – Provided an analysis of 2006 foreclosure trends in the Chicago region, background information on the problems faced by the subprime market, and the impact of foreclosures on property values in lower-income and minority communities. Discussed the limited transparency of the lending violation investigation process at the federal level.

Washington Post – Provided an analysis of 2006 foreclosure trends in the Chicago region, background information on the problems faced by the subprime market, and the impact of foreclosures on property values in lower-income and minority communities.

International Technical Assistance

British Broadcasting Corporation – Provided background information on the concentration of subprime lending predominately minority communities and discussed the impact of the current spike in foreclosures on homeowners in those areas.

International Center for the Study of Childhood (CIESPI) at the Pontifical Catholic University of Rio de Janerio – Advised on strategies for attaching youth in lower-income communities to broader job markets. Provided information on expanding cultural and social opportunities for low-income children in Rio de Janeiro to encourage their full development.

Institute for the Study of Work and Society (IETS), Rio de Janeiro – Provided technical assistance to create legal title to homes in lower-income communities in Rio de Janeiro.

Conference Presentations and Workshops

January

"Illinois' Initiatives to Address Predatory Lending Illinois' Initiatives to Address Predatory Lending." *An Informed Discussion of Nontraditional Mortgage Product Risks and Other Risks*. Federal Reserve Bank of Chicago. Chicago, Illinois.

February

"The Importance of the Financial Mainstream for Underserved Consumers and Families." *Asset Building: New Directions in Addressing Poverty*. Family Foundation. Baltimore, Maryland.

"The Comparative Roles of Financial Literacy and Financial Regulation in Securing Access to Fair Financial Products." *Economic Development Conference*. Yale School of Management. New Haven, Connecticut.

"Subprime Lending, Foreclosures, and Today's Mortgage Market." Rockford Area Affordable Housing Coalition. Rockford, Illinois.

"Mortgage Lending in Chicago's South Suburbs." Diversity Inc. East Hazel Crest, Illinois.

March

"The Role of Non Profit Research in Community Development." *Masters in Community Development Program*. North Park University. Chicago, Illinois.

"The Middle Class and the Racial Wealth Divide." *2007 Facing Race Conference.* Applied Research Center. New York, New York.

"The Unfair and Deceptive Structure of Credit Card Contracts: Prospects for Reform." *Chicago Premier of 'Maxed Out*.' Columbia College. Chicago, Illinois

April

"High Cost Consumer Lending: What it is, How it Works, and its Consequences." *Micro-Credit Workshop*. Stevenson Center for Community and Economic Development at Illinois State University. Normal, Illinois.

"Subprime Lending, Foreclosures, and Today's Mortgage Market." *2007 Annual Convention*. Housing Action Illinois. Springfield, Illinois.

"Subprime Lending, Foreclosures, and Community Impacts." Milwaukee, Wisconsin.

"The Use of Data in Promoting Community Reinvestment." *2007 Annual Conference*. National Community Reinvestment Coalition. Washington, D.C.

"Challenges and Prospects for the Community Reinvestment Act." *Annual Meeting*. Community Bankers Association. Washington. D.C.

May

"CRA 101: Commenting on a Bank Merger." *Community Organizing Project*. The Monroe Foundation. Oak Lawn, Illinois.

June

"Promoting Community Reinvestment Finance in the U.S." *Creative and Effective Organizations Awards Seminar*. MacArthur Foundation. Chicago, Illinois.

"Thirty Years of the Community Reinvestment Act: Accomplishments and Challenges." *Annual Community Development Conference*. Federal Reserve Bank of Cleveland. Cleveland, Ohio.

July

"Subprime Lending, Foreclosures, and Today's Mortgage Market." *Homeowner Preservation Summit*. Office of the Illinois Attorney General. Chicago, Illinois.

August

Subprime Lending, Foreclosures, and Today's Mortgage Market. Lake County Affordable Housing Commission. Gurnee, Illinois.

September

"Measuring the Provision of Banking Services to LMI Communities: Recommendations for a More Effective CRA Service Test." *Lunch and Learn*. Office of the Comptroller of the Currency. Washington, D.C.

November

"Applied Research for Financial Services Reform." *Masters in Urban Planning and Policy*. University of Illinois at Chicago. Chicago, Illinois.

"Subprime Lending, Foreclosures, and Community Impacts." *Panel Discussion: The Mortgage Lending Crisis.* UIC Great Cities Institute. Chicago, Illinois.

"Subprime Lending, Foreclosures, and Community Impacts." Northwest Indiana Reinvestment Alliance. Hammond, Indiana.

"Discussion of Subprime Lending and Foreclosures." DePaul Real Estate Center. Chicago, Illinois.

"Subprime Lending Foreclosures and Today's Mortgage Market." *5th Annual Great Lakes Public Finance Conference*. Information Management Network. Chicago, Illinois.

December

"Panel Discussion on Subprime Lending and Foreclosures." *Governors Affordable Housing Conference*. Illinois Housing Development Authority. Chicago, Illinois.

MacArthur Foundation – Developing Effective Interventions to the Ongoing Foreclosure Crisis – Chicago, IL – December, 17, 2007

Chicago Metropolitan Agency for Planning (CMAP) – Identifying Foreclosure Hot Spots – Chicago, IL – December 20, 2007

Collaborations and Memberships

Advisory Group, Woods Fund of Chicago--The group works to advise the Fund on the direction of its Strategic Plan. Participated on an advisory group to reorganize the foundation's application and reporting forms.

Website Development Committee, Americans for Fairness in Lending--Comprised of external relations staff from several economic justice organizations throughout the country, the committee is responsible for developing an implementation timeline and approving content for an upcoming fair lending media campaign.

Bethel New Life Wealth Creation Task Force--A working group convened by Bethel New Life, a Chicago community development corporation, to identify strategies to promote wealth creation in the organization's West side service area.

Board Chair, Financial Markets Center (FMC)--Monitors the activity of the Federal Reserve Board from the perspective of the average citizen.

Board Member, Chicago Area Fair Housing Alliance--Coalition of nonprofit and government organizations working to promote fair housing in the Chicago region.

Board Member, Chicago Council on Urban Affairs--Research and policy organization that works on issues of poverty, race, and juvenile justice.

Board Member, International Center for the Study of Children and Youth, Rio de Janeiro, Brazil-- Engages in research and policy analysis to improve the condition of poor children in Brazil and other countries.

Board, Legislative--Regulatory Policy Committee, National Community Reinvestment Coalition--A coalition of over 700 groups working to improve community reinvestment practice and policy throughout the country.

Board Member and Board Secretary, Coalition of Community Development Financial Institutions--A national group of CDFI practioners and coalitions working to improve national policy on CDFIs.

Consumer Advisory Council, Board of Governors of the Federal Reserve System--Woodstock Institute's Senior Vice President sits on council to advise the Board in the area of consumer financial services. The council membership represents interests of consumers, communities, and the finance services industry.

Convener, Chicago CRA Coalition--The Coalition develops and advocates for concrete improvement in Chicago region banks' community reinvestment activities.

Convener, Midwest Bank Regulators and Community Development Organizations Collaborative-- Discusses community and regulator issues about the implementation of CRA regulations.

Core Group Member, Policy Research Action Group--Promotes collaborative research and projects between universities and community groups in the Chicago area to promote effective policy and action.

Executive Committee Member, John Egan Campaign for Payday Loan Reform--Works on legislation, public education, and advocacy to reduce the negative effects of the payday loan industry in Illinois.

Member, Bankers Community Collaborative Council--A collaboration of the National Community Reinvestment Coalition and senior representatives of leading financial institutions. The Group is dedicated to improving community reinvestment performance, practice, and policy.

Member, Chicago Low-Income Housing Trust Fund--Oversees city and other funds to improve housing for very low-income people.

Member, Community Development Roundtable, Federal Reserve Bank of Chicago--Meetings between regulators and other community representatives to discuss Midwest community development issues.

Member, Community Development Venture Capital Alliance--Research strategies for evaluating community development venture capital funds and how they can effectively achieve their "double bottom line."

Member, Consumer Federation of America--Advocates, provides technical assistance and develops policy in the interest of consumer protections.

Member, Governor's Task Force on Financial Literacy--A consortium of financial literacy experts working to evaluate and improve financial literacy programs in Illinois.

Member, Illinois Insurance Collaborative--The Collaborative is seeking to document the barriers to and find solutions for equal access to home insurance products.

Member, National Low-Income Housing Coalition--Works to end America's affordable housing crisis through education, organizing, and advocacy.

Member, National Forum to Promote Lower-Income Household Savings--Meets quarterly to review progress and provide feedback on Cleveland Saves, a program developed by the Consumer Federation of America and Cleveland-based community groups to promote financial literacy and increased asset development.

Member, National Partnership for Financial Empowerment--Public-private partnership led by the U.S. Department of the Treasury. Seeks to raise awareness of the need for financial literacy training.

Partner Organization, Americans for Fairness in Lending--A national organization that aims to establish fair credit policies and practices.

Steering Committee Member, National Stop Predatory Lending Initiative--A national coalition of research and policy organizations working to put a stop to predatory mortgage lending through effective federal policy.