

# CRA Opportunities in Rural Areas

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# CRA Opportunities in Rural Areas

## Loans

- All loans (number and total \$ amount)
- Where, borrower's income – LMI areas of Klamath Falls?
- Small business, small farms, economic revitalization
- Community development loans – CD focus
  - Affordable housing development
    - Klamath Housing Authority
    - CASA of Oregon
  - Other Community development organizations



# CRA Opportunities in Rural Areas

## Services

Serve on the Board or committee of an organization with CD focus

- Klamath & Lake Community Action Services
- Salvation Army, Goodwill Industries
- Klamath Housing Authority
- Habitat for Humanity
- Klamath Falls Gospel Mission
- Klamath – Lake County Food Bank
- Assistance League of Klamath Basin
- Society of St Vincent de Paul
- Klamath CC SBDC
- Network for Oregon Affordable Housing



# CRA Opportunities in Rural Areas

## Investments (see organizations listed under Services)

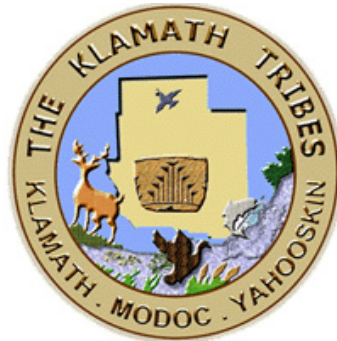
- Grants
- Purchase of certain bonds
- Purchase of Low Income Housing Tax Credits
- Donations of FF&E
- Deposit with CDFI credit union



# CRA Opportunities in Rural Areas

## – Indian Country

- ▶ Lending Challenges, Solutions
- ▶ What Banks, Tribes and Agencies Can Do





# CRA Opportunities in Rural Areas – Indian Country

## Mortgage Lending Challenges, Solutions

- ▶ Lack of Lending Laws
- ▶ Remoteness
- ▶ Land Status
- ▶ Lack of Communication
- ▶ Lack of Qualified Borrowers

--Loan Processing Problems Continue



# Top 10 Challenges with the Mortgage Approval Process

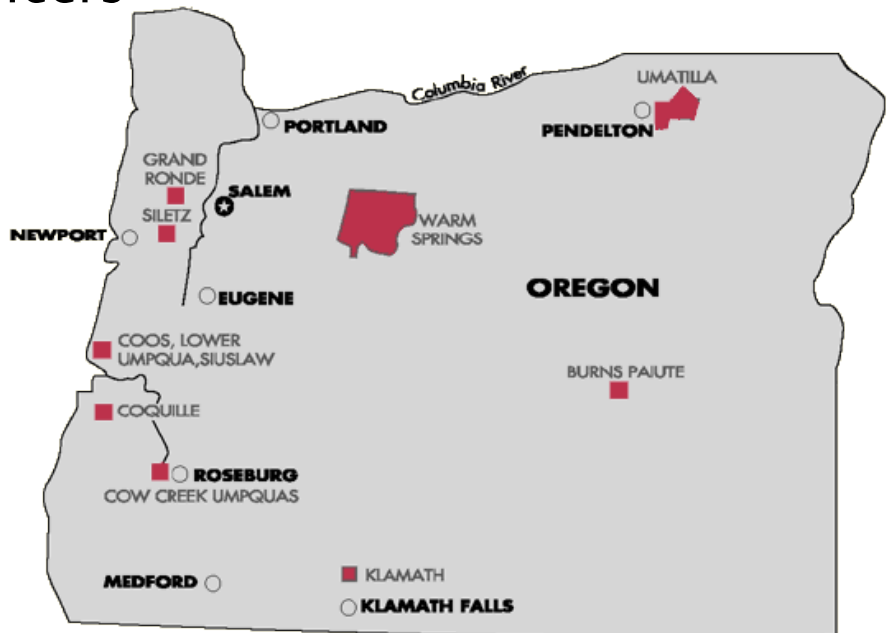
1. Lack of direction for tribal members on Indian reservations
2. Inconsistent of coordination between agencies
3. Lack of communication between tribes, banks and agencies
4. Few comparables for appraisal
5. Some tribal members lack access to HUD 184
6. Inconsistent review process with BIA between regions
7. Duplicate environmental reviews
8. Weak incentives for loan officers
9. Limited of credit history of borrowers
10. Distance from banks to Indian reservations



# Streamlining the Mortgage Lending Process

## Banks

- ▶ Offer mortgage products that work on Indian reservations
- ▶ Request TSR at time of application, if not already requested
- ▶ Provide incentives for loan officers
- ▶ Meet with local tribes





# Streamlining the Mortgage Lending Process

## Tribes

- ▶ Adopt HUD's Section 184 Indian Housing Guarantee Program Housing Ordinances
- ▶ Adopt "one stop" interagency lease
- ▶ Appoint a mortgage counselor at tribe
- ▶ Maintain information for appraisers
- ▶ Homebuyer education/access
- ▶ Encourage savings
- ▶ Homebuyer brochure



# Streamlining the Mortgage Lending Process

## Agencies

- ▶ Regular interagency meetings on mortgage process
- ▶ Training with partner agencies
- ▶ Clear and consistent mortgage processing procedures within and between regions
- ▶ Tracking system
- ▶ Stronger accountability – internal & external audits



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