

REPORT TO THE CITIZEN'S ADVISORY COMMITTEE
FOR URBAN RENEWAL FROM ITS STUDY COMMITTEE
ON FINANCING OPPORTUNITIES OF MINORITY
INTERESTS.

EXHIBIT

VII: DD

In November 1963, Dr. William C. Gaige appointed Messrs. Ray B. Owen, Charles McCabe, Andrew Bell, Jr., George Freeman and Walter Coupe, Chairman; as a Sub-committee of the Citizen's Advisory Committee for Urban Renewal, with the following purpose:

- (1) Studying and reporting on the financing opportunities of minority interests in Rhode Island at banking and financial institutions, credit unions, and loan companies;
 - (a) To purchase homes (1 to 4 families)
 - (b) To obtain home improvement loans (for repairs or to meet minimum housing standards) on conventional or FHA terms.
- (2) To study and to report on the need and practicability of a guaranty fund (either state or private) to insure opportunities of financing in marginal cases. One eligibility condition might be proof of inability to obtain financing from other sources.

At the initial meeting of the Committee it was decided to survey the members of the Rhode Island Bankers Association and the Rhode Island League of Savings and Loan Associations. A copy of the survey Questionnaire is attached hereto. There were 23 Questionnaires mailed and 20 replies were received. A summary of the responses is also attached hereto. The three institutions that did not reply are located outside the Providence area. Because of this no effort was made

to obtain the missing replies. The identify of the individual respondent is not revealed inasmuch as the covering letter stated that before replies would be identified the permission of each bank would be obtained. It was decided that it would serve no useful purpose to survey other institutions; namely, credit unions and loan companies.

A summation of the Questionnaire, similar to the one attached hereto, was sent to each member of the Committee. Subsequently a meeting of the Committee was held and while this meeting did not have full attendance the two missing members discussed the subject with the Committee Chairman.

The Committee reports and recommends as follows:

That there is no evidence or indication of discrimination in financing opportunities either for the purchase of real estate or for the borrowing of funds for renovation or improvements.

That there are no general or specific rules against considering applications from minority interests because of the location of property; income level or minimum down payments.

That conventional mortgage loans complying with state and national banking laws are available.

That FHA loans and VA loans, generally made under the same terms as the FHA, are available. These loans have

substantially lesser down payment requirements than the conventional bank loan.

That generally, financing is available to individuals as stated above who have a satisfactory credit reputation and have regular income sufficient to meet the fixed payments of a mortgage loan and the other costs of property ownership.

That there is an educational need to point out the cost of good housing. It is felt that in the areas of concern a larger percentage of the income should be spent for housing, if housing standards are to be raised substantially. The pamphlet "FHA Financing Home Purchases and Home Improvements," (Form FHA 428) is one guide which can be used and is issued at no cost.

That with the apparently available financing opportunities and with lack of evidence to the contrary it is the Committee's opinion that a state guaranty fund to insure opportunities of financing in marginal cases is not necessary. There is no evidence that if such a fund was formed there would be a sufficient demand for it to justify the complications of originating such a fund.

That FHA Section 220 loans be made available in addition to the other types of loans that are offered because this type of loan at times permits a more liberal mortgage. The FHA designates an area as approved for Section 220 financing before properties are eligible under this

section. This is usually done in conjunction with Urban Renewal programs and should be able to be accomplished here through the cooperating efforts of the Providence Redevelopment Agency and the FIA. The East Side Redevelopment Area might be the ideal area for an initial trial.

The Washington Park section of Boston, Massachusetts has been designated as eligible for Section 220 financing. The Boston banks have formed a group called BBURG (Boston banks urban renewal group) to handle these loans and they have agreed to finance an aggregate of 20 million dollars of eligible loans.

That a non-profit corporation be formed to acquire real estate with the purpose of effecting its rehabilitation and its resale to the former owner or to a new owner under the most liberal terms obtainable in accordance with the needs of the potential purchaser. While it may be advisable to test this corporation's role by handling a few parcels of real estate initially the goal of the corporation should be one of operating on a large scale so that housing can be available as soon as possible to meet the current housing need. Coordination and cooperation by and between the Corporation, Providence Redevelopment Agency, Federal Housing Administration and banking interests would be required. For example -- a parcel of real estate might

be condemned by P.D.A. sold to the Corporation at its market value, which might be at a substantial reduction of its condemnation price, refurbished by the Corporation, sold at cost to the prospective purchaser and financed by the cooperating banks. Rental income should be such to provide a return sufficient to meet the expenses of the property.

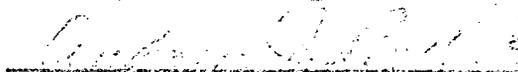
The results would be an improved parcel of real estate for sale at a marketable price, providing better housing accommodations which can demand rental income to be a sound investment.

It is not intended that this corporation's role would be in conflict or competition with any other corporation or interests.

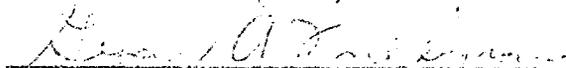
Should the Housing Act of 1964 provide other means of improving housing accommodations to the Corporation any such provisions should be used to achieve the desired goals.

Respectfully submitted,

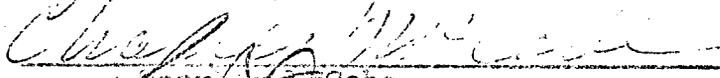
SUB-COMMITTEE OF THE
CITIZEN'S ADVISORY COMMITTEE
FOR URBAN RENTALS



Andrew Bell, Jr.



George Freeman



Charles McGabe



Roy E. Owen

September 17, 1964



Walter Coupe, Chairman

ACKNOWLEDGMENTS

PROVIDENCE REDEVELOPMENT AGENCY

John Kellum

Stanley Bernstein

Melvin L. Feldman

FIRST NATIONAL BANK OF BOSTON

Herbert R. Corey, Vice President

Oliver Pratt, Vice President

HOME IMPROVEMENT LOANS

1. Are F.H.A. home improvement loans offered? _____
2. Are conventional home improvement loans offered? _____
3. Are dealer home improvement loans offered? _____
4. Are there any general or specific rules for not considering an application, viz:
 - a. location _____
 - b. income level _____
 - c. down payment requirements _____
 - d. minority interests _____

(If there are please explain) _____

5. Are the reasons for declinations made on application forms? _____
6. Are home improvement loan applications accepted when and if the first mortgage is held by another institution? _____
7. Are home improvement loans limited as to size and term? (If so please explain)

Do you have any experience to indicate that there is or that there is not a need of a state or private guaranty fund to insure opportunities of financing in marginal cases. If your experience shows that there is a need please list any examples that could be used to illustrate the need.

REAL ESTATE LOANS

1. Are applications taken for F.H.A. and V.A. purchase loans? _____
2. Are records kept of inquiries concerning mortgages? _____
3. Are application forms completed when inquiry is more than casual? _____
4. Are there any general or specific rules for not considering an application, viz:
 - a. location _____
 - b. income level _____
 - c. down payment requirements _____
 - d. minority interests _____(If there are please explain) _____

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5. Are the reasons for declinations made on application forms? _____
 6. Are there rules for minimums of salaries of the applicant in relation to the amount requested. (If there are please explain) _____
-
-
7. Are there maximum loan percentages to real estate values that are offered and available. (If there are please explain) _____
-
-
8. Are accounts required of applicants before an application is taken.

Do you have any experience to indicate that there is or that there is not a need of a state or private guaranty fund to insure opportunities of financing in marginal cases. If your experience shows that there is a need please list any examples that could be used to illustrate the need.

HOME IMPROVEMENT LOANS

1. Are F.H.A. home improvement loans offered?

<u>Bank</u>	
No. 1	NO
No. 2	NO
No. 3	YES
No. 4	YES
No. 5	YES
No. 6	NO
No. 7	YES
No. 8	YES
No. 9	NO
No. 10	NO
No. 11	NO
No. 12	NO
No. 13	NO
No. 14	YES
No. 15	YES
No. 16	NO
No. 17	NO
No. 18	NO
No. 19	NO
No. 20	NO

NO 13
 YES 7

HOME IMPROVEMENT LOANS

2. Are conventional home improvement loans offered?

Bank	
No. 1	YES
No. 2	NO
No. 3	YES
No. 4	YES
No. 5	YES
No. 6	YES
No. 7	YES
No. 8	YES
No. 9	YES
No. 10	YES
No. 11	YES
No. 12	YES
No. 13	YES
No. 14	YES
No. 15	YES
No. 16	NO
No. 17	YES
No. 18	YES
No. 19	YES
No. 20	YES

NO 2
 YES 18

HOME IMPROVEMENT LOANS

3. Are dealer home improvement loans offered?

Bank	
No. 1	NO
No. 2	NO
No. 3	YES
No. 4	YES
No. 5	NO
No. 6	YES
No. 7	NO
No. 8	YES
No. 9	YES
No. 10	NO
No. 11	NO
No. 12	YES
No. 13	NO
No. 14	NO
No. 15	YES
No. 16	NO
No. 17	NO
No. 18	NO
No. 19	NO
No. 20	NO

NO 13
 YES 7

HOME IMPROVEMENT LOANS

4. Are there any general or specific rules for not considering an application, viz:

- a. location
- b. income level
- c. down payment requirements
- d. minority interests

If there are please explain.

Bank				
No. 1	a. Yes	b. Yes	c. Yes	d. No
	Loans made on properties in our own town and those immediately adjacent. Borrower must have sufficient income to repay. Down payments flexible according to credit worthiness of borrower.			
No. 2	No loans of this type made			
No. 3	a.	b. x	c.	d.
	(b) Income of borrower determines loan amount to be approved. Borrower must own property to be improved, as note must be signed by all owners.			
No. 4	a.	b. x	c.	d.
	(b) income must be sufficient to repay loan.			
No. 5	a.	b.	c.	d.
	None			
No. 6	a. no	b. no	c. no	d. no
No. 7	a. none	b. *	c. *	d. none
	(b) Only to warrant repayment of loan		(d) minimum	
No. 8	a. no	b. yes	c. no	d. no
	(b) income must be sufficient to justify repayment of loan			
No. 9	a. yes	b. yes	c. yes	d. no
	(a) 12 feet above mean high water (b & c) adequate to provide a risk low enough to be accepted by a prudent man.			
No. 10	a. no	b. no	c. no	d. no
No. 11	a. yes	b. yes	c. no	d. no
	{ no explanation)			
No. 12	a. no	b. no	c. no	d. no
No. 13	a. yes	b. yes	c. yes	d. no
	(No explanation)			

HOME IMPROVEMENT LOANS

4. Are there any general or specific rules for not considering an application, viz:

- a. location
- b. income level
- c. down payment requirements
- d. minority interests

If there are please explain

No. 14 a. yes b. yes c. no d. no

- (a) sub-standard location and comparable property.
- (b) income level would have to adequately support any and all obligations.

No. 15 a. b. c. d.

NO. Each case determined individually based on character and credit of applicant and paying ability.

No. 16 No answered

No. 17 a. yes b. yes c. no d. no

(No explanation)

No. 18 a. no b. no c. no d. no

No. 19 a. yes b. yes c. yes d. no

- (a) Within our service area.
- (b) Repayment capacity
- (c) Equity consideration

No. 20 NONE

HOME IMPROVEMENT LOANS

5. Are the reasons for declinations made on application forms?

Bank	
No. 1	YES
No. 2	NOT ANSWERED
No. 3	YES
No. 4	YES
No. 5	NO
No. 6	NO
No. 7	AT TIMES
No. 8	YES
No. 9	YES
No. 10	YES
No. 11	NO
No. 12	YES
No. 13	YES
No. 14	NOT ALWAYS
No. 15	NO
No. 16	NOT ANSWERED
No. 17	NO
No. 18	YES
No. 19	NO
No. 20	YES

NO	6
YES	10
OTHER	4

HOME IMPROVEMENT LOANS

6. Are home improvement loan applications accepted when and if the first mortgage is held by another institution?

Bank

No. 1 GENERALLY - NO. THERE ARE EXCEPTIONS

No. 2 NO

No. 3 YES

No. 4 YES

No. 5 YES

No. 6 YES

No. 7 YES

No. 8 YES

No. 9 YES

No. 10 YES

No. 11 NO

No. 12 YES

No. 13 NO

No. 14 YES

No. 15 YES

No. 16 NOT ANSWERED

No. 17 YES

No. 18 YES

No. 19 YES

No. 20 YES

NO 3
 YES 15
 OTHER 2

HOME IMPROVEMENT LOANS

7. Are home improvement loans limited as to size and term? (If so, please explain)

- Bank
- No. 1 \$2500. 3 years
- No. 2 NOT ANSWERED
- No. 3 UNDER F.H.A., MAXIMUM LOANS AND TERMS ARE REGULATED. UNDER OUR OWN PLAN, TERMS ARE EXTENDED UP TO FIVE YEARS AND AMOUNTS ARE BASED ON FINANCIAL STATUS OF HOME OWNER.
- No. 4 TO THE LIMITS OF THE LAW AND TO ABILITY TO REPAY.
- No. 5 F.H.A. HOME IMPROVEMENT LOANS ARE LIMITED BY REGULATIONS. BANK'S HOME IMPROVEMENT LOANS ARE LIMITED TO \$5,000. AND 60 MONTHS PER RHODE ISLAND LAW.
- No. 6-- SIZE: NO TERM: 3 years - (EXCEPTION - 5 years)
- No. 7 ONLY BY STATE LAW
- No. 8 \$3500. 60 months
- No. 9 TERM LIMITED TO FIVE YEARS. SIZE LIMITED TO ABILITY TO REPAY.
- No. 10 ONLY BY LAW
- No. 11 YES \$3,500. FOR FIVE YEARS
- No. 12 \$5,000. FIVE YEARS
- No. 13 \$3,000. UP TO THREE YEARS
- No. 14 YES - BY REGULATION AND CREDIT ASPECT
- No. 15 LEGAL LIMITS - \$5,000. UP TO FIVE YEARS. \$2,500. ON EACH UNIT ON MULTI-UNIT STRUCTURES UP TO SEVEN YEARS FHA I.
- No. 16 NOT ANSWERED
- No. 17 F.H.L. REGULATIONS LIMIT LOAN TO \$3,500., AND TERM TO FIVE YEARS
- No. 18 SIZE NO, IF WITHIN APPLICANT'S ABILITY TO PAY. TERM IS LIMITED TO FIVE YEARS.
- No. 19 GENERALLY WITHIN THREE YEARS AND \$3,000. ALTHOUGH ON OCCASION EXTENDED FIVE YEARS AND \$5,000.00
- No. 20 BY LAW TO \$5,000 for five years

HOME IMPROVEMENT LOANS

Do you have any experience to indicate that there is or that there is not a need of a state or private guaranty fund to insure opportunities of financing in marginal cases. If your experience shows that there is a need please list any examples that could be used to illustrate the need.

<u>Bank</u>	
No. 1	BELIEVE FINANCIAL INSTITUTIONS ADEQUATELY FILL NEEDS.
No. 2	SUFFICIENT LENDING SOURCES AVAILABLE.
No. 3	WE HAVE HAD NO EXPERIENCE ALONG THIS LINE, BUT IT WOULD APPEAR IT MIGHT BE WELL TO EXPLORE SOME FORM OF STATE GUARANTY PROGRAM.
No. 4	NO EXPERIENCE
No. 5	NOT ANSWERED
No. 6	NO EXPERIENCE TO WARRANT COMMENT.
No. 7	NOT ANSWERED
No. 8	ADEQUATE SOURCES FOR FINANCING ARE PRESENTLY AVAILABLE.
No. 9	NO NEED. IF RISK OF FIVE YEAR HOME IMPROVEMENT LOAN TOO GREAT BECAUSE OF HIGH MONTHLY PAYMENT WE WOULD SUGGEST REWRITING MORTGAGE. BOTH INTEREST RATE AND PAYMENT WOULD BE LOWER.
No. 10	EXPERIENCE INDICATES NO NEED.
No. 11	NO NEED
No. 12	NO
No. 13	THERE MIGHT BE A NEED TO FINANCE MARGINAL CASES IN ORDER TO KEEP THEM AWAY FROM SOME OF THE FINANCE COMPANIES WHERE MOST OF THEM GO NOW.
No. 14	EXPERIENCE INDICATES NEED FOR SOME FORM OF HELP WOULD BE DESIRABLE. HOWEVER THERE IS STRONG INDICATION THAT INROAD ON ANY GUARANTY FUND MIGHT BE FREQUENT.
No. 15	NO NEED OF INSURANCE FOR MARGINAL CASES SINCE FHA TITLE I IS PROBABLY AS BROAD AS CAN BE EXPECTED FOR INSURANCE OF MARGINAL CASES.
No. 16	NOT ANSWERED
No. 17	NO NEED FOR STATE GUARANTY FUND. F.H.A. SHOULD BE MEANS FOR ANY CHANGES, IF NECESSARY.
No. 18	NO
No. 19	NO
No. 20	NO EXPERIENCE INDICATING A NEED

REAL ESTATE LOANS

1. Are applications taken for F.H.A. and V.A. purchase loans?

Bank	
No. 1	NO
No. 2	NO
No. 3	YES
No. 4	YES
No. 5	YES
No. 6	AT THE PRESENT TIME, OUR PORTFOLIO IS SUCH THAT CONSIDERATION IS BEING GIVEN TO CONVENTIONAL MORTGAGES ONLY. WE ARE AN APPROVED MORTGAGEE UNDER THE F.H.A.
No. 7	YES
No. 8	YES
No. 9	NO
No. 10	YES
No. 11	NO
No. 12	NO
No. 13	NO
No. 14	YES
No. 15	YES
No. 16	NO
No. 17	NO
No. 18	NO
No. 19	YES
No. 20	YES

NO 9
 YES 10
 OTHER 1

REAL ESTATE LOANS

2. Are records kept of inquiries concerning mortgages?

Bank No. 1	NO
No. 2	NO
No. 3	YES
No. 4	YES
No. 5	NO. BY INQUIRIES WE MEAN TELEPHONE AND CASUAL QUESTIONS OVER COUNTER
No. 6	ONLY COMPLETED APPLICATIONS.
No. 7	NO
No. 8	NO
No. 9	YES
No. 10	NO
No. 11	YES
No. 12	YES
No. 13	NO
No. 14	YES
No. 15	YES
No. 16	NO
No. 17	YES
No. 18	NO
No. 19	NO
No. 20	YES: IF ANY APPLICATION IS FILED IT IS RETAINED FOR TWO YEARS.

NO	10
YES	9
OTHER	1

REAL ESTATE LOANS

3. Are application forms completed when inquiry is more than casual?

Bank No.	Response
No. 1	NO
No. 2	YES
No. 3	YES
No. 4	IF THEY WANT HOUSE LOOKED AT FOR MORTGAGE APPLICATION IS TAKEN.
No. 5	YES
No. 6	NO: ONLY WHEN DEFINITE REQUEST IS MADE.
No. 7	YES
No. 8	YES
No. 9	YES
No. 10	NO - UNLESS READY TO MAKE FORMAL APPLICATION.
No. 11	YES
No. 12	YES
No. 13	YES
No. 14	YES
No. 15	YES
No. 16	YES
No. 17	YES
No. 18	WE DO NOT INVEST IN MORTGAGES.
No. 19	YES
No. 20	YES

NO	3
YES	15
OTHER	2

REAL ESTATE LOANS

4. Are there any general or specific rules for not considering an application, viz:

- a. location
- b. income level
- c. down payment requirements
- d. minority interests

(If there are please explain)

Bank NO. 1	NO
No. 2	a. yes b. yes c. yes d. no (No explanation)
No. 3	NO. HOWEVER AFTER OBTAINING THE FACTS THE APPLICANT MAY BE INFORMED THAT THE LOAN COULD NOT BE CONSIDERED FURTHER BECAUSE OF a, b, c BUT NOT d.
No. 4	a. b. x c. x d. (b) Income must be sufficient) (c) 10% minimum down payments on FHA or VA
No. 5	a. yes b. yes c. yes d. no (a) If the area applied for is known to the application taker and he knows that our mortgage business there is very limited, he may refuse application or at least warn customer that its chances of passing are slim. (b) On FHA & VA loans we have to adhere to income levels. On Conventional mortgages we may relax this a little if other areas of the application show that he has the ability to repay the loan. (c) On FHA, VA & Conventional, the minimum down-payment acceptable is established by law. Down payment requirements are also governed by the location and age of the property and the ability of the applicant to repay the loan.
No. 6	a. yes b. yes c. yes d. no (Prudent Lending)
No. 7	a. b. x c. x d. (Only from credit point of view)
No. 8	a. yes b. yes c. yes d. no (a) Definite bearing on security value and safety of loan through stability of market. (b) Income of applicant must be sufficient to support loan or mortgage serves neither borrower or lender. (c) Compliance with state regulations and to place loans within payment ability of borrower.

REAL ESTATE LOANS

4. Are there any general or specific rules for not considering an application, viz:

- a. location
- b. income level
- c. down payment requirements
- d. minority interests

(If there are please explain)

Bank				
No. 9	a. yes	b. yes	c. yes	d. no
	(a) twelve feet above mean high water (b & c) adequate to provide a risk low enough to be accepted by a prudent man.			
No. 10	a. no	b. no	c. yes	d. no
	Subject to legal minimum down payments.			
No. 11	a. yes	b. yes	c. yes	d. no
No. 12	Not answered			
No. 13	a. yes	b. yes	c. yes	d. no
	No explanation			
No. 14	a. yes	b. yes	c. yes	d. no
	(a) substandard location. (b) to support all obligations and maintain or create reasonable reserve. (c) regulation and policy.			
No. 15	a.	b.	c.	d.
	No - each case determined individually based on security of property and character and credit rating of applicant.			
No. 16	a. x	b. x	c. x	d.
	Property must be able to stand that amount of mortgage; borrower must be able to meet the payments; 10% down required on new houses; 20% down required on all others; borrowers are employees of the sponsoring company, members of their families and friends.			
No. 17	a. yes	b. yes	c. yes	d. no
	(a) location prime consideration for mortgage lending (b) income level a factor in considering ability to pay, (c) FHLB regulation determine this.			
No. 18	Does not handle FHA, VA or mortgage loans.			
No. 19	a. yes	b. yes	c. yes	d. no
	(a) Within our service areas (b) Capacity to repay debt must be considered. (c) Maximum percent allowable as determined by Comptroll of the Currency for National Banks.			

REAL ESTATE LOANS

4. Are there any general or specific rules for not considering an application, viz:

Bank

No. 20 None, our policy requires that we look at every property for which we have an application.

REAL ESTATE LOANS

5. Are the reasons for declinations made on application forms?

Bank	
No. 1	NO
No. 2	YES
No. 3	YES, BRIEFLY
No. 4	YES
No. 5	YES AND NO. IN MOST ALL CASES THERE IS A REASON GIVEN.
No. 6	NO
No. 7	AT TIMES
No. 8	YES
No. 9	YES
No. 10	YES
No. 11	NO
No. 12	YES
No. 13	NO
No. 14	NOT ALWAYS
No. 15	USUALLY
No. 16	YES
No. 17	NO
No. 18	Does not handle FHA, VA, loans or mortgages
No. 19	NO
No. 20	YES

NO 6
 YES 8
 OTHER 6

REAL ESTATE LOANS

6. Are there rules for minimums of salaries of the applicant in relation to the amount requested. (If there are please explain)

Bank	
No. 1	DOES NOT HANDLE REAL ESTATE LOANS
No. 2	RULE OF THUMB - ONE WEEKS NET SALARY SHOULD BE ADEQUATE TO MEET MONTHLY PAYMENTS WHICH INCLUDE ESCROW FOR TAXES AND INSURANCE.
No. 3	WE DO NOT HAVE RULES FOR MINIMUMS OF SALARIES IN RELATION TO AMOUNT REQUESTED. EACH CASE IS INDIVIDUAL AND IS CONSIDERED FROM ALL PHASES OF INCOME AS AGAINST FIXED CHARGES.
No. 4	NONE - EACH CASE JUDGED ON MERIT.
No. 5	Y.E.S. ON FHA APPLICATIONS WE USE THEIR CHARTS AS GUIDE LINES. ON VA THEY RECOMMEND THAT TOTAL FIXED MONTHLY CHARGES NOT EXCEED 30% OF THE NET TAKE HOME PAY. ON CONVENTIONALS, WE USE THE RULE OF THUMB THAT ONE WEEKS TAKE HOME PAY SHOULD COVER THE MORTGAGE PAYMENT, TAXES AND FIRE INSURANCE.
No. 6	PRUDENT LENDING
No. 7	NO HARD AND FAST RULE -- JUST NORMAL CREDIT JUDGEMENT.
No. 8	GENERALLY SPEAKING (SUBJECT TO INDIVIDUAL CONSIDERATION) WEEKLY TAKE HOME PAYMENT SHOULD COVER ONE MONTH'S HOUSING INCLUDING PRINCIPAL, INTEREST, HAZARD INSURANCE, ETC.
No. 9	SIMPLY THE PRUDENT MAN RULE WHERE IT IS RECOGNIZED THAT SIZE OF FAMILY, WAY OF LIFE, AGE OF APPLICANT AND OTHER FACTORS ALL MUST BE CONSIDERED.
No. 10	NO
No. 11	YES. MONTHLY INCOME MUST BE FIVE TIMES THE MONTHLY PAYMENT.
No. 12	NO
No. 13	NO
No. 14	NORMALLY ONE WEEK'S NET INCOME NOT TO BE LESS THAN FIXED CHARGES ON MORTGAGE LOAN.
No. 15	SALARY MUST REFLECT ABILITY OF APPLICANT TO PAY ALL OBLIGATIONS WITHOUT STRESS.
No. 16	JUST ABILITY TO PAY.
No. 17	NO SET RULES - CONSIDER ALL FACTS IN ORDER TO DETERMINE ABILITY TO P
No. 18	DOES NOT HANDLE FHA, VA OR MORTGAGE LOANS.
No. 19	THERE ARE GUIDELINES: APPLICANT'S CAPACITY TO REPAY MUST BE DETERMINED.
No. 20	NO SPECIFIC RULES, BUT EACH APPLICATION IS EVALUATED ON ITS MERITS.

REAL ESTATE LOANS

7. Are there maximum loan percentages to real estate values that are offered and available. (If there are please explain)

Bank No.	
No. 1	DOES NOT HANDLE FHA, VA OR MORTGAGE LOANS
No. 2	NEW PROPERTY - 80% with 25 YR MATURITY. 75% MAXIMUM WITH 20 YR MATURITY ON USED PROPERTY. FHA & GI LOANS 6% DOWN PAYMENT WITH 25 YR MATURITY.
No. 3	MAXIMUM LOAN PERCENTAGES ARE 75% OF APPRAISED VALUE ON CONVENTIONAL. FHA - 97% - \$15,000.; VA -95% LOANS
No. 4	THOSE PERCENTAGES ALLOWED BY LAW ON CONVENTIONAL ARE OFFERED AND AVAILABLE.
No. 5	YES. THOSE ALLOWED BY LAW. FHA AS ESTABLISHED BY CONGRESS. VA BANK REQUIRES MINIMUM DOWN PAYMENT OF 5%. CONVENTIONAL - REQUIREMENTS AS ESTABLISHED BY R.I. BANKING LAW.
No. 6	PRUDENT LENDING.
No. 7	GO TO EXTENT OF STATE LAW.
No. 8	ON FHA AND VA MORTGAGES, 10% DOWN PAYMENT IS REQUIRED. ON CONVENTIONAL MORTGAGES, STATE REGULATIONS APPLY.
No. 9	YES - MAXIMUM IS LIMITED BY LAW. REAL ESTATE VALUES ARE DETERMINED BY BANK'S OFFICERS AND DIRECTORS NOT BY SELLING PRICE.
No. 10	YES - MAXIMUM ALLOWED BY STATE LAWS.
No. 11	.80% ON NEWER HOUSES AND 70% ON OLDER TYPES.
No. 12	75% OLD 80% NEW
No. 13	YES, DEPENDS ON LOCATION, AGE OF PROPERTY, ETC.
No. 14	VARIABLE AS TO LOCATION, TYPE OF PROPERTY AND CREDIT STANDING OF BORROWER. RANGE FROM 50-80% OF MARKET VALUE.
No. 15	USUALLY 80%
No. 16	SEE #4
No. 17	YES SET BY FEDERAL REGULATIONS.
No. 18	DOES NOT HANDLE REAL ESTATE LOANS
No. 19	MAXIMUMS DETERMINED BY REGULATIONS OF COMPTROLLER OF THE CURRENCY FOR NATIONAL BANKS.
No. 20	YES: STATUTORY LIMITS (SEE CHAPTER 9, Sections 19-9-8 and 19-9-9, GENERAL LAWS OF R.I.: ALSO LIMITATIONS IMPOSED UNDER THE GOVERNMENT AGENCIES.

REAL ESTATE LOANS

8. Are accounts required of applicants before an application is taken?

Bank No. 1	DOES NOT HANDLE REAL ESTATE LOANS.
No. 2	NO
No. 3	NO
No. 4	NO
No. 5	NO
No. 6	NO
No. 7	NO
No. 8	NO
No. 9	NO
No. 10	NO
No. 11	NO
No. 12	NO
No. 13	NO
No. 14	NO
No. 15	NO
No. 16	YES
No. 17	NO
No. 18	DOES NOT HANDLE REAL ESTATE LOANS
No. 19	NO
No. 20	NO

NO 17
 YES 1
 OTHER 2

REAL ESTATE LOANS

Do you have any experience to indicate that there is or that there is not a need of a state or private guaranty fund to insure opportunities of financing in marginal cases. If your experience shows that there is a need please list any examples that could be used to illustrate the need.

Bank	
No. 1	DOES NOT HANDLE REAL ESTATE LOANS
No. 2	SUFFICIENT LENDING SOURCES AVAILABLE
No. 3	THERE IS A NEED OF A STATE AGENCY TO GUARANTY FUNDS. MARGINAL CASES IN AREAS LIKE SOUTH PROVIDENCE AND SIMILAR URBAN AREAS.
No. 4	NO EXPERIENCE TO INDICATE A NEED.
No. 5	WE BELIEVE THAT IN SUCH AREAS AS LIPPITT HILL, SOUTH PROVIDENCE, FEDERAL HILL, ETC. THE BANKS WOULD BE ABLE TO SUPPLY MORE MONEY FOR LENDING IF SOME PART OF EACH LOAN WAS INSURED OR GUARANTEED BY THE STATE OR SOME OTHER ORGANIZATION.
No. 6	NO EXPERIENCE
No. 7	NOT ANSWERED
No. 8	ADEQUATE SOURCES FOR FINANCING ARE PRESENTLY AVAILABLE.
No. 9	IF CASE IS SO MARGINAL THAT FHA GUARANTEE IS NOT SUFFICIENT IT SHOULD BE TOO MARGINAL FOR GUARANTEE BY ANY OTHER THAN AN ELEEMOSYNARY INSTITUTION.
No. 10	NO
No. 11	NO NEED
No. 12	NOT ANSWERED
No. 13	IN SOME CASES IN ORDER TO KEEP THEM AWAY FROM SOME OF THE FINANCE COMPANIES.
No. 14	EXPERIENCE INDICATES NEED FOR SOME FORM OF HELP WOULD BE DESIRABLE. HOWEVER THERE IS STRONG INDICATION THAT INROAD ON ANY GUARANTY FUND MIGHT BE FREQUENT.
No. 15	NO NEED FHA TITLE 203 CAN BE USED.
No. 16	NOT ANSWERED
No. 17	NO NEED FOR A STATE. F.H.A. CAN DO THE JOB.
No. 18	NOT ANSWERED
No. 19	NO
No. 20	BASED ON OUR EXPERIENCE, WITH THE FLEXIBILITY PROVIDED THROUGH THE CONVENTIONAL, GHA AND VA PLANS, WE FEEL THAT THERE IS NO REAL NEED FOR A FURTHER GUARANTY FUND AT THE PRESENT TIME.