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COMMUNITY INVESTMENTS

A Community • Economic Development Publication

VOLUME FOURTEEN NUMBER 2

Using the Media to Deliver Financial Education

An Outstanding-rated rural bank shares how they have used local media to educate their community and boost their performance

Youth Credit Unions

Read about a unique partnership opportunity that helps youth help themselves

Compliance Corner

Whether a refresher or a tutorial, compliance officers are certain to pick up a useful tip or two about avoiding common pitfalls in data collection

District Update

This quarter we feature Leadership Council members from northern California and Hawaii

Selling Affordable Multifamily Mortgages

See the positive impact consortia around the country have had on affordable housing and learn what it takes to sell these mortgages to the secondary market

JUNE02

If you have an interesting community development program or idea, we would like to consider publishing an article by or about you. Please contact:

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Editor's NOTEBOOK by Lena Robinson

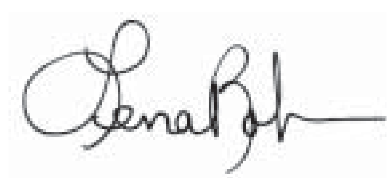
For years, representatives of financial institutions have gone into schools with piggy bank programs to introduce the importance of savings to young children in the hope of establishing positive, life long financial habits. This tells me that financial literacy isn't new. What is new is the significant attention being given to financial literacy. It is correctly recognized as the remedy for a number of maladies including bankruptcy, predatory lending, the wealth gap, low self-esteem, even stress.

The role that financial institutions have played and are playing to promote financial literacy is laudable. This issue of *Community Investments* includes several outstanding stories about how financial institutions are reaching out to educate the members of their community and enjoying the fruit of their efforts.

And while financial institutions may reap the greatest benefits of financially adept consumers, financial institutions should not be expected to shoulder all the responsibility. With so many benefits at stake, anyone who purports to be a leader or to act in the best interest of a constituency should take up the mantle. It is the duty of every leader to recognize the financial circumstances that pose the greatest peril to their constituents, to seek out the information that can empower them and to identify the partners that can assist them.

Individuals also share in this responsibility. But people can't do better until they know better. An educated consumer is a protected consumer; yet legal protection in a vacuum is insufficient. For every law that protects a consumer, someone has already figured out how to circumvent it. The better word that comes to mind is "savvy." Financial savvy needs to be a part of our lives from the first piggy bank. And the buck starts with everyone.

The Federal Reserve Bank of San Francisco is pleased to announce the publication of the *Banker's Guide to Financial Literacy Resources* to further promote this effort. The guide is a compilation of financial literacy training resources for various life stages. Detailed information about the guide and how to order can be found on page six.



What's Inside

Using the MEDIA to Deliver Financial Education

by Ronald Wilson, President, Desert Community Bank

Desert Community Bank (DCB) is a $350 million independent commercial bank located in the vast desert region of Southern California. Specifically, DCB serves the upper desert region between Los Angeles and Las Vegas in San Bernardino county (the largest county based on landmass in the United States). San Bernardino county is comprised of six main communities with populations that range from 4,000 to 60,000 for a total population a little in excess of 300,000. The population is 32 percent low-income, 59 percent middle-income and nine percent upper-income.

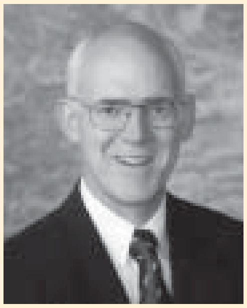
DCB's niche is twofold. We are the bank of first choice for real estate transactions, as evidenced by our lead in the number of deeds of trust recorded in San Bernardino county for ten out of twelve months each year. Before we began providing financial education, our mortgage loan activity was next to none—about four per month. Last month we granted 39 loans and this month we will grant over 45, which is about the norm. We are also a leading SBA lender in the area, providing financing to a number of businesses ranging from expanding manufacturers to start-up professionals, including doctors and lawyers.

The bank has become the financial information source in the region through significant newspaper and television involvement. We are often asked why and how we selected these newspaper and television outlets to become a financial education partner in the community. The answer is surprisingly simple, they selected us.

In 1993, I was approached by the business editor of the town newspaper, the *Daily Press,* to write a guest column regarding proper use of credit cards. (The *Daily Press* serves the high desert communities outside of the city of San Bernardino, which is about 45 miles away over a mountain pass.) The editor liked the result and asked if I would write a weekly column. This column has since appeared every Monday on the front page of the business section. The newspaper columns are not limited to banking. Recently, I wrote an eleven-part series titled *Money Matters* to explain FDIC Insurance. During the height of Y2K, I also wrote several articles to help squash fears and provide practical advice for financial security. More recent topics have covered tax information, Social Security benefits, scam awareness and long-term care.

Television was initiated in a similar fashion to newspaper. The general manager of the television station asked if I would join the news team one night a week to give a two-minute report. The reports I did for approximately two years have become a regular part of the Monday night news on a taped basis for the past seven years. I provide one-minute reports for cable television that air 24 times a weekend and a two-minute financial information segment that airs weekly on a local cable

About the Author



Ronald Wilson is a native of the state of Kentucky. He benefited from public school education through high school in the Phoenix, Arizona vicinity. Mr. Wilson started his banking career at Thunderbird Bank in Phoenix while attending college. In 1975, he received a bachelor of arts degree with a double major in business and psychology from Grand Canyon College; a private college sponsored by the Southern Baptist convention.

Mr. Wilson joined Desert Community Bank in 1989 and presently serves as the bank's chairman of the board, president and CEO. In 2002, Mr. Wilson was assigned the additional responsibility of serving as chairman/CEO of DCB Financial Insurance Services and DCB Investment Services.

He is actively involved in a number of community organizations and presently serves as the board treasurer for Apple Valley Care Center Foundation, Lewis Center for Educational Research, Sunset Hills Children's Fund and Rotary Club of Victorville.

Mr. Wilson lives in Apple Valley with his lovely wife, Deanna and five beautiful children ranging in age from nine to twenty.

channel and is also broadcast to cable, transmitter/antenna and direct satellite. I also host a 30-minute television program, called *Money Matters,* that airs on two different cable channels several times a week. The topics I cover range as dramatically as the format and guests. A recent sample includes child custody support, explanation of mortgage programs, jobs for the disabled and the purpose of a CPA in business.

Newspaper and television also offer unique ways to enhance the bank's CRA role. We maintain a detailed list of the articles and television programs that we provide to the examiners who determine CRA eligibility based on the content of the information shared. A good example would be the discussion of first time home buyer and lease-to-own financing programs.

The guests for the television program are often excellent CRA resources and include county or city government officials who manage departments and programs that meet the needs of those in the low- to moderate-income status. The information they provide is a valuable resource for people who are often not familiar with the programs and services available to them. The combination of our daily efforts and our unique and tremendous media exposure culminated in the bank achieving an Outstanding CRA rating on our last examination.

Countless people have benefited from our program. One of the most poignant anecdotes is of an elderly gentleman who called to express his thanks for our production of *Money Matters*. He said he watched it all the time and could tell we were straightforward, honest people. This was someone who did not have substantial means and considered himself less than sociable. Social security was his only source of income and he had been disabled for several years. He wanted to have a bank account, but thought it was out of his reach on such a limited income. He certainly didn't expect the bank CEO to return his calls. Not only did I return his call, but I told him as a senior he could open an account with a zero balance, have the monthly service charge waived and purchase money orders, cashiers checks and travelers checks at no charge. He literally cried tears of joy for being "accepted as a human being." This is one of many such stories.

With regards to increased patronage, ten years ago, Desert Community Bank had $85 million in assets. Today, without acquiring the assets of any other institution, we have grown to over $340 million. In surveying people who open new accounts, no less than 20 percent and frequently as much as 40 percent open accounts because of their awareness of DCB through the media. This represents 40 to 80 accounts per month. Ten years ago we had less than 5,000 accounts; today we have over 32,000 accounts.

Probably the most significant advantage of the media involvement is that it has enhanced the bank's image, reputation and CRA commitment without an expenditure of dollars. While it does take time to write the columns and to produce the television shows, this time is the extent of our resource commitment. Both the newspaper and television management view financial education as a beneficial public service that is popular with their subscribers and viewers; therefore the bank has not been asked to pay to participate. In fact, it is not even considered advertising by the bank or the media outlets. Ironically, its positive impact on the bank's growth and recognition in the community is far greater than any advertising campaign. *CI*

edited by Karen Schwartz-Decker

Youth CREDIT Unions

by Viola Bostic, Deputy Executive Director
National Federation of Community Development Credit Unions

What can $1.25 per week buy in today's economy? How about economic empowerment and self-confidence for elementary school children. So says Mark Levine, president of the Neighborhood Trust Federal Credit Union (FCU), located in the heavily populated Dominican community of Washington Heights in Manhattan. He describes with pride the success of the one-year old school-based program that is meeting its goal of cultivating future members who are learning how to acquire wealth early.

Youth credit union programs (YCUPs) in Washington, Mississippi, Kentucky, New York and California can also express satisfaction with the results of similar youth activities. For example, at Progressive Neighborhood FCU (Rochester), a VISTA[1] volunteer helped establish an IDA program at the credit union's high school branch. Another case in point, with over 500 youth from 33 local churches and five schools, the almost 15-year old Brooklyn Ecumenical FCU program can be considered the grandfather of youth credit unions.

Some of these programs got their start with financial and technical assistance from the National Federation of Community Development Credit Unions (NFCDCU) in early 1992. These programs, which serve young people between the ages of seven and seventeen, have accumulated more than $1 million in savings deposits. Each year, the youth network conducts a series of workshops and special events at NFCDCU's annual meeting on topics such as technology and fundraising.

NFCDCU's youth credit union programs differ from most youth financial literacy programs in that they are part of the CDCU's overall strategy of expanding community economic self-sufficiency. A study by a research team from Brandeis University's Heller School characterized these programs as "an exciting new brand of community youth development," and described the program's mission as leadership development, self-help, community reinvestment, financial self-determination and financial literacy. The mutually beneficial relationship between the credit union and its youth members promote a dynamic alliance that strengthens community economic development initiatives and is an investment in the community's future.

First, YCUPs help their members become financially responsible adults by providing on-the-job training where they gain an understanding of what it takes to run a credit union. This specialized training and exposure improves self-image. Participants consider attending college or training for careers in the financial services industry. The youth program also fosters a feeling of ownership in being a contributor to the future of the community's economic development. At the same time, the sponsoring CDCU extends its impact and outreach to the burgeoning youth population, thereby strengthening the social capital and economic foundation of the larger community.

The cost of organizing a YCUP is prohibitive for many CDCUs. According to Jose Amaya, youth coordinator of the Mission Area FCU, "CDCUs must have a full-time youth coordinator on staff to manage the program if it is to be successful in the long term." Con-

1 *Volunteers in Service to America (VISTA) is a program funded by The Corporation for National and Community Service. Created during the administration of Lyndon Baine Johnson, VISTA has been in existence since 1965 as a vehicle to eradicate poverty in America. Vista volunteers working for the credit union can develop or maintain asset building programs beneficial to credit union members such as Individual Development Accounts (IDAs), microenterprise lending, homeownership counseling and financial literacy.*

sequently, seeking funding for the program is a persistent activity for National Federation members.

NFCDCU continues to look for grants that will expand the program to more members and youth organizations. Moreover, the organization offers training in how to market to and recruit youth, and at the same time, provides technical assistance in organizing a youth program. Contact the National Federation of Community Development Credit Unions if you are interested in setting up a YCUP or to make a financial investment. CI

For more information on youth credit union programs, contact Viola Bostic at the National Federation of Community Development Credit Unions at (212) 809-1850 or via e-mail to: vbostic@natfed.org.

To contact an existing youth credit union, please consult the list below.

Mark Levine, President
Neighborhood Trust FCU
New York, New York
(212) 740-0900
mlevine@cwcid.org

Robert Coleman, President
Northwest Baptist FCU
Seattle, Washington
(206) 322-1604

Pearl Watts, Manager
Quitman Tri- County FCU
Marks, Mississippi
(662) 326-4000

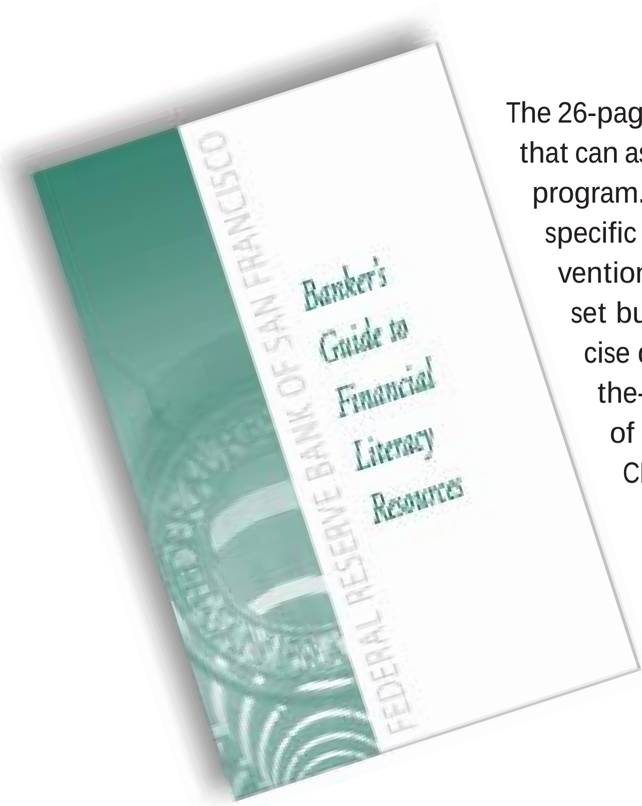
Marcus Bordelon, President
Central Appalachian Peoples FCU
Berea, Kentucky
(859) 986-1651

Priscilla Parker, Asst. Manager
Progressive Neighborhood FCU
Rochester, New York
(716)-328-5410
pparker@pnfcu.org

Daisy Dobbins, Youth Coordinator
Brooklyn Ecumenical FCU
Brooklyn, New York
(718) 858-8803

Jose Amaya, Youth Coordinator
Mission Area FCU
San Francisco, California
(415) 431-2268

Financial Literacy Guide



The 26-page *Banker's Guide to Financial Literacy Resources* is a handy reference that can assist anyone with interest to strategically design a financial literacy program. The guide is formatted to quickly identify suitable material for a specific audience, with resources organized into five categories: early intervention, basic financial literacy, credit management and rehabilitation, asset building and specialized curriculum. Each category contains a concise description of various materials that can be used as reference, off-the-shelf or in coordination with a specific organization. Other features of the guide include an index and the Interagency Q&A reference for CRA pertaining to financial literacy.

Complimentary copies of the guide can be ordered online at sf.communityaffairs@sf.frb.org or via the Federal Reserve Bank of San Francisco's publication hotline at 415/974-4810.

Avoiding Common Pitfalls of Data Collection

by Donald R. Narup, President, CRA Information Services

Compliance officers are faced with highly complex data collection and reporting challenges that are essential not only to the supervision, but also the well being of the institution. Since the establishment of new compliance regulations in 1996, the requirements placed on banks to collect, track, maintain, report and analyze thousands of pieces of CRA and HMDA data has increased. Recent changes in the HMDA regulation will intensify this situation.

Compliance officers are often tasked to create their own processes for data collection and analysis to meet these growing requirements. The most common resources used are mainframe systems and financial spreadsheets—neither of which provide an efficient methodology to manipulate the data and prepare the required analysis. Without a customized program designed to handle CRA and HMDA data, these homegrown processes are even more vulnerable to common data collection pitfalls. These pitfalls have the potential to adversely affect the bank's ability to make informed planning and compliance decisions vital to proper management of the institution.

This article will offer tips to help compliance staff recognize and avoid some of the more common pitfalls. These tips are based on years of practical experience in receiving and analyzing compliance data from institutions of all asset sizes and geographic areas of the U.S. This is by no means a complete listing, nor does it address all of the issues surrounding any one item mentioned. It will hopefully help you to begin to assess the effectiveness of your bank's data collection system.

Start Now

Establishing procedures and training staff is the most time consuming part of the effort. Give yourself sufficient time to smooth out the wrinkles before you are faced with the first annual submission. Don't wait until the bank is at the magic $250 million asset mark and becomes a reporting institution to begin collecting information. Starting from scratch, it could take at least a year to get data collection processes in place, especially if you don't have customized software to set up the data fields and proper codes.

Making the Mainframe Work

If you decide to collect data on a mainframe system, determine whether there are any CRA data collection fields already available. If not, you will need to find out how to add the necessary fields to the system. Most systems allow customers a certain number of fields they can customize. They are most commonly called flex data fields. The system you use may have a different name.

Don't be surprised if only a few, or no flex data fields are available. The system has likely been in place for many years, during which time people have set up fields for any number of purposes (many long forgotten). Deleting fields and reports that are no longer needed may require management approval, which may not happen according to your timetable.

Once you determine which data collection fields are available, examine the loan boarding document. Rework it to include the new compliance data fields, or make an addendum page that includes them. Following are some of the more problematic areas you will encounter when adapting a mainframe system for data collection purposes.

CRA Address

- Use a specific CRA address field, as the customer's mailing address may not be the CRA address. Many systems have several address fields that can be used to capture address information. Having separate CRA and mailing address fields also ensures that data is collected in a consistent format.

- Keep in mind that P.O. box addresses are not acceptable. The actual street address to where the loan proceeds are going is the correct CRA address.

- Avoid the common pitfall of using the "collateral description" field to enter a CRA address. Usually, this field is only 35 characters in length, which is often not adequate to accommodate the full address.

- Require data to be entered in the CRA address field even if it is the same as the mailing address. This avoids confusion over whether the CRA address is the same as the mailing address or was simply not entered.

Geocoding

- Addresses need to be geocoded. Geocoding is a skill, requiring particular knowledge of how it works and the database engines used to do it. Not getting a match on the FFIEC geocoder may be due to the way an address was entered in the search fields, and not because it's not in the database.

- Based on my experience, twelve to fifteen percent of all addresses entered on mainframe systems have some type of error that prevent them from being geocoded. Besides spelling, the most common error is placing an apartment or unit number between the street name and directional prefix, as with "123 A E Main St." Address formats have a street number followed by a directional prefix such as N, S, E, W, a street name and then a suffix such as Ave, Blvd, Ln and St. Geocoders do not recognize the "A" as a prefix and will not make a match. The address must be reformatted to "123 E Main St #A" before it will geocode. By entering it correctly the first time, you save yourself some duplication of effort.

- Always use standard U.S. postal abbreviations. The abbreviation for Trail is TRL, not TR. In some geographies, MLK will not generate a match but Martin Luther King will. 4532 S Highway 76 may not match but 4532 US Hwy 76 S or 4532 County Road 76 or 4532 Kentucky Hwy might. If 2016 First St doesn't get a hit, try 2016 1st St.

- Do not enter an address range, as in "1234-1242 Main St." Only one street number can be used to geocode an address. For multiple properties at different locations, pick the one most advantageous to the bank, such as the address in a low- or moderate-income census tract. For multiple addresses at a single location, one street number will suffice.

Putting geocode information on the mainframe is your choice. If you don't need to, then don't. The FFIEC and the Census Bureau's America Fact Finder make geocoding information available at no charge on their web sites at **www.ffiec.gov** and **www.factfinder.census.gov**. However, entering one address at a time gets a little tedious and probably is not an efficient use of time or personnel.

> *"The key to good data collection is to collect it the way you will use it."*

There are very inexpensive software products available that will scrub addresses to check for spelling errors, correct non-standard formats and append current zip and zip+4 codes. These products are designed for bulk mailers; but the address scrubbing features used for bulk mailing purposes are also excellent to use for geocoding purposes. Additionally, they have the capacity to geocode as many as 1,000 records in a few seconds for as little as $50. The more records geocoded, the more the cost per thousand decreases. Yet another alternative for much less than the cost of personnel, an institution can eliminate a lot of work and save far more than the costs they now incur, by using an outside professional geocoding service. These are a few ways to ease your compliance burdens.

Borrower Income

Depending on the CRA loan type classification, there are two different data collection requirements for reporting income. Small business/small farm classified loans require a code number; all other loan types require a dollar amount. Do not mix codes and dollar amounts in the same field. Putting two different kinds of data in the same field causes problems in analysis and reporting.

- Don't customize the codes. CRA and HMDA have well-defined specifications for reporting data using a standardized code. If a small business/farm standardized income code is 1 = $1,000,000 or less and 2= greater than $1,000,000, why use A or B as a code? Using the field titled "income" where the codes A=low, B=moderate, C=middle, D=upper, E=small business and F=small farm is an example of putting two different types of information in the same field as well as using customized coding. To make this information useful, it would need to be converted to another form. The key to good data collection is to collect it the way you will use it.

- Don't allow data entry personnel to round the income dollar amount to the nearest $1,000—the way regulations ask for it. Because rounding errors are common, it is not unusual to see an amount like $36,600 rounded to 40 instead of 37. It is better to have data entry personnel simply copy the full dollar amount of the borrower's gross annual revenue or income. Later, compliance personnel can decide which loans need a revenue code or a rounded dollar amount when the information is needed for reporting purposes.

Proper Coding

- *Small Business/Small Farm:* It is very important to be consistent when designating which loans are classified as small business or small farm. Start by designating the person who will be responsible for making that classification decision and make sure they are knowledgeable of the regulations. It may also help to print some basic guidelines on the mainframe boarding document. For instance, "small business must be $1 million or less, used for a business-related purpose, not collateralized by residential property."

- *Federal Call Codes:* At the time the loan is input a federal call code must also be determined and entered. A common problem occurs when the CRA loan type is changed from small business/farm after the loan has been input. The loan type code is changed, but seldom is the federal call code assigned at boarding corrected. The result is that incorrect amounts are reported on the institutions quarterly call report.

- *CRA Action/Affiliate Codes*: Two other essential data collection fields are CRA action code (1=originated, 6=purchased) and affiliate lending flag (1=originated/purchased by your institution and 2=originated / purchased by an affiliate of your institution). If your bank purchases loans or has an affiliate, these CRA data collection fields need to be added the mainframe.

Understanding Spreadsheets

Everyone has a different way of formatting the collected data into a spreadsheet. Following are some basic rules that I've found to be effective.

- Don't create a separate spreadsheet for every month. At the end of a year you will probably have to combine them all anyway. You can always sort the monthly data using tools in the spreadsheet program.

- Put your collected data in columns, which allows you to sort, and not in rows. Each column should be a separate data collection field.

- If your data processing system uses the same loan number at each renewal, put a -1 or -2 or some designation *after* the loan number. This makes it a unique reporting number per regulations and eliminates duplicate account numbers. Don't put the designator before the account number, as it will throw the account number out of numerical order when sorted.

- Don't enter an entirely different number in the CRA data collection program provided by the government. While the number is unique, examiners cannot cross-reference the loan.

- BE CONSISTENT. All personnel should be entering data the same way. Merging spreadsheets into a usable format becomes difficult if one spreadsheet has a date format of yy/mm/dd and another enters it as dd/mm/yy, or if one has separate address fields for city, state and zip and another has a combined city/state/zip field. Format individual fields the same across spreadsheets on such aspects as number of decimal places and type of data field (numerals, text, etc.).

About the Author

After 30 years in the banking industry, Mr. Narup retired in 1991 as president and CEO of Laguna Bank in Laguna Beach California. He is the president of CRA Information Services located in San Diego, California. CRA Information Services provides compliance data collection and analysis software, and is an outsourcing facility for CRA and fair lending analysis and other compliance-related services for financial institutions nationwide. He can be contacted at (858) 573-2995 or address e-mail to compliance@crahelp.com.

Conclusion

CRA data are one of the best sources of information an institution has. However, without a standardized data collection program, thousands of dollars and thousands of work hours can be wasted. CRA and HMDA data are tangible company assets and not something collected only for the regulators to be reported once a year. This is information that can be used to determine usage of products and services within a marketing area, to show where there is a need for new products and services to meet the needs of specific communities, and to develop marketing strategies that will increase sales and profitability. Don't be satisfied with just collecting data; for an effective compliance effort you must use it. The decisions of your staff are only as good as the information they have can access. ***CI***

edited by Anita Todd

District Update

CRA Leadership Councils were established to recognize and encourage community reinvestment efforts throughout the 12th District. The Councils, which are affiliated with the local CRA roundtables, actively participate with the San Francisco Fed's Community Affairs staff to identify critical community and economic development needs, and to develop new products and services. In this ongoing feature, we ask Council members to talk about their backgrounds and how they became involved in CRA, their responsibilities, successes and any advice or words of wisdom they would like to share. This time we are pleased to feature Elaine L. Hogue of American Savings Bank in Honolulu, Hawaii and Brian Scripp of Westamerica Bank in Fairfield, California.

ELAINE L. HOGUE
COMMUNITY DEVELOPMENT OFFICER
AMERICAN SAVINGS BANK

Family is very important in Hawaii, that's why there's a special word for it—*Ohana*. I'm the mother of a blended *ohana* of seven and the wife of a state senator. As a business professional in Hawaii for over two decades, I never dreamed that I would land in banking, much less in a position that provides such a personally-rewarding opportunity. Overseeing a CRA program that coordinates the bank's strategic plan and business strategy together with its community relations initiatives in a way that supports the less fortunate of Hawaii's *ohana* is an awesome responsibility that I relish.

American Savings Bank (American) is a full-service bank with 71 branches throughout the Hawaiian islands. Prior to acquiring Bank of America's Hawaii division in 1997, our focus was mostly on residential and consumer products. Since the acquisition, we have beefed-up commercial real estate lending and added business and corporate banking.

While I was fortunate enough to inherit a well-established CRA program, (Outstanding CRA rating since 1989) I am awe-inspired by the way our new president, Constance Lau, has embraced community reinvestment at American. Her guidance has spurred us to coordinate our CRA program with the bank's strategic plan and community relations initiatives, with an emphasis on leveraging the bank's investments through increased employee involvement in targeted organizations. Not only do we get great involvement from our own staff, we are also blessed with tremendous involvement by the board of our parent organization, Hawaiian Electric Industries, plus our investment and insurance subsidiaries. American is truly an *ohana*, with all levels of our extended *ohana* getting involved.

It is through this support and leadership that I am particularly proud (and lucky) to have either expanded upon or, in some cases, initiated many programs. One of these initiatives is the "Speakers Bureau" program, which consists of 30 designated banking staff who are available to assist community organizations with their financial literacy efforts. This program is a natural complement to the bank's already well-established "CRA Speaking Engagement Program" that we use to educate all staff about the bank's CRA obligation, encourage their participation in community development activities and track these activities.

Our bank-wide IDA initiative, developed as a result of working with the Hawaii IDA Collaborative, is also very exciting to me. It's fully embraced by all 71 branches because it helps to build assets for Hawaii's low- to moderate-income *ohana* and supports the bank's focus on growing deposit accounts. This is a perfect example of how investing in such programs can tie in to a bank's strategy—creating new accounts while stimulating the local economy. The additional reward is that the nonprofits act as fiscal agents for the matching funds, utilizing us for such deposits.

Our focus on expanding innovative lending and investment strategies has resulted in a new consumer loan product: the nationally renowned *Ways to Work* family loan program. This program for the working poor *ohana* is an exclusive American Savings Bank program on Oahu, in which we fund the loans as opposed to funding via a loan pool. This gives borrowers a track record of repaying debt at a bank. One recent participant in the program is a parent who used to wake-up at 3 a.m. for work and return from school at 11 p.m. using the public transportation system. The purchase of a used vehicle through *Ways to Work* (a fixed 8% rate for two-years) now allows this single mom more time with her *ohana*.

Admittedly, it's hard to keep all priorities in perspective. I serve on the boards of five organizations in which the bank invests, actively participate in many of our lending, investment, services and public relations initiatives, and keep up with the CRA. But to be a CRA officer in paradise, well, that's the best part of all . . . at American, it's all in the *ohana*.

District Update

Brian Scripp
CRA and Compliance Officer
Westamerica Bank

Being a CRA officer is one of the most satisfying, fun and interesting jobs a person can have. But to be honest, it took a while before I came to this conclusion because CRA can also be very hard work.

Before becoming a CRA officer, I worked for a large savings association. This gave me a perspective on the competitive challenges institutions face. Following that, I was a compliance and CRA examiner for the Office of Thrift Supervision and Federal Reserve for five years. I had the opportunity to travel across America and speak with a large cross-section of people. It was a fascinating experience and really influenced my CRA perspective that each community has very diverse needs. These may range from access to health care to job training and living wage jobs to homeless shelters and drug treatment facilities.

When I became a CRA officer, my first task was to identify the bank's most pressing CRA needs. Finding a practical way to address these needs was a real challenge and led me to my first CRA lesson: *To make a difference in the community sometimes it is necessary to think outside of the typical CRA box and try something new.* I learned this after helping a start-up nonprofit. When I first met Jenefer Duane, she told me about her dream of launching a program to teach financial institutions how to prevent the financial abuse of elders. She put me in touch with district attorneys who provided grim statistics concerning the frequency of financial abuse of the elderly. It was obvious that this was a real problem in our society. Jenefer was a great community organizer but was only one person and needed support to reach the next level.

I promised we would build a website to give her a communication channel to institutions, community organizations and the public, and then help her develop a plan to take her message to every CRA officer in California. This was a scary moment. At that time, none of the regulators had decided that preventing financial abuse of seniors was a CRA activity—and our bank had never built a website for a nonprofit.

But it all worked. We convinced people that teaching institutions and nonprofits how to detect and prevent this horrible crime is a CRA service. We found a volunteer to program a website, and in April of this year, we launched the website: **bewiseonline.org** for the California Community Partnership for the Prevention of Financial Abuse. Later this year, CCPPFA will finish a training video to be distributed to many institutions across the western region.

For a CRA officer to make a difference, the support of his or her bank is vital. I've been fortunate in this regard. Westamerica Bank is not afraid of new ideas. For example, nine months ago, after reviewing dismal statistics concerning the high percentage of Americans with severe credit and debt problems, I went to bank management with an idea for financial literacy training. The theme of the campaign would be: "*Money doesn't come with instructions,*" and the idea was to help people understand not only how to make a budget but also how to be a wise consumer. The concept was to develop very user friendly materials, form alliances with nonprofit organizations, quasi-government agencies, and the Jelly Belly™ company, with the intent to reinvent how financial literacy is taught to the very poor. The program has now become so successful that we have formed a partnership with a much larger institution, a member of the Northern California CRA Leadership Council, to help meet the demand. In the next five years we will jointly teach financial literacy to thousands of low-income families.

For me, CRA can be both frustrating and hugely rewarding. Bringing new solutions to the community is hard, but it is one of the few jobs where a person can drive home at night knowing he served both his employer and the community.

The Association of Reinvestment Consortia for Housing

by Fred Mendez, Senior Community Investment Specialist, Federal Reserve Bank of San Francisco

The Association of Reinvestment Consortia for Housing (ARCH) is comprised of the presidents of affordable housing lending consortia representing financial institutions in Alabama, California, Florida, Georgia, Hawaii, Idaho, Illinois, Maine, New Hampshire, Oregon, Utah and Washington. A banking response to community reinvestment credit needs for affordable housing, these nonprofit mortgage banking organizations have been formed since 1989, with the exception of the Community Investment Corporation which was formed by Chicago-based financial institutions in 1974.

Collectively, ARCH represents over 400 commercial banks, thrifts and savings and loans with commitments totaling over $1.5 billion and over 60,000 affordable housing units created throughout the country. Each consortia is an independently governed and staffed, self-sufficient organization with an experienced staff and a common mission to be a catalyst for the development and preservation of affordable housing and community revitalization in their respective states and regions. ARCH provides a forum whereby the member organizations can collectively deal with the challenges posed by a changing marketplace, the changing perspectives of their member financial institutions and the changing regulatory environment.

In a speech to financial institutions in Washington, former Federal Reserve Board Governor John LaWare stated that "the loan consortium is a very effective way of meeting credit needs, particularly in the area of affordable housing. By pooling funds from participating institutions, loan consortia have enabled their participants to diversify risk and reduce costs in providing funding for multifamily affordable housing development. The fact that consortia lending receives full credit under CRA should be secondary. Banks, after all, are peculiarly the creatures of the communities that they serve. If the community does well, the banks will probably do well. Decent and affordable housing is essential for any really successful community. Acting in concert with other institutions to satisfy that need is, in my opinion, nothing more than enlightened self-interest."

The information provided on the following page provides a glimpse of the success of these organizations. Representing information from eleven of the thirteen ARCH members, the growth in lending, impact to low- and moderate-income families and loan loss information shows that community development lending has matured to the point where the success of consortia, like those in ARCH, exceeds that of the conventional marketplace.

If you would like more information regarding these organizations, please contact any of the ARCH member organizations listed below.

- Mike Bielawa, Community Investment Corporation, Chicago 312/258-0070
- Steve Graham, Utah Community Reinvestment Corporation 801/366-0400
- Mary Kaiser, California Community Reinvestment Corporation 818/550-9800
- Chris Miller, New Hampshire Community Reinvestment Corporation 603/472-8623
- Judy Reed, Washington Community Reinvestment Association 206/292-2922
- Debra Reyes, Neighborhood Lending Partners, Tampa, FL 813/879-4525
- Charles Rowe, Florida Community Partners, Orlando 407/898-1661
- Cindy Stewart, Maine Community Reinvestment Corporation 207/772-5356
- Don Tarleton, Hawaii Community Reinvestment Corporation 808/532-3110
- Bill Tilly, Alabama Multi-family Loan Consortium 334/265-7156
- Bill Van Vliet, Network for Oregon Affordable Housing 503/223-3211
- JoAnne Wertz, Idaho Community Reinvestment Corporation 208/853-2431
- David Young, Georgia Affordable Housing Corporation 800/536-9650 x8237

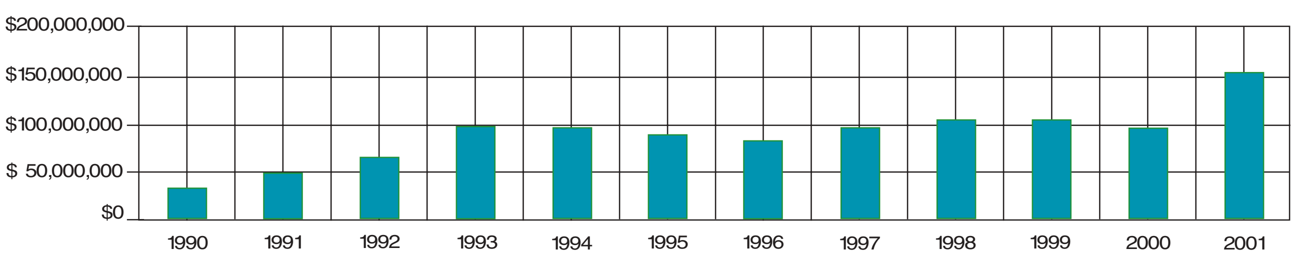
MAKING AN IMPACT

The Association of Reinvestment Consortia For Housing (ARCH) Statistical Profile as of December 31, 2001

ARCH Members:	Pool Size (in millions)	Financial Institution Memberships
Alabama Multifamily Loan Consortium	$30	44
California Community Reinvestment Corporation	$230	43
Community Investment Corporation (Chicago)	$556	47
Florida Community Partners (Central Florida)	$54	19
Hawaii Community Reinvestment Corporation	$50	8
Idaho Community Reinvestment Corporation	$45	15
Maine Community Reinvestment Corporation	$8	14
Neighborhood Lending Partners (Tampa Bay, FL)	$95	43
Network for Oregon Affordable Housing	$70	17
Utah Community Reinvestment Corporation	$40	33
Washington Community Reinvestment Association	$106	37
Totals:	*$1.3 billion*	*320*

LENDING INFORMATION		
	Number of Loans:	1,316
	Dollar Amount of Loans:	$1.12 billion
	Loan Losses to Date:	0.44%

Growth in Lending from 1990–2001



Social and Economic Impacts

Housing Units Financed:	58,266
Affordable to Tenants with 80% or below of AMI:	96%
Urban Communities Impacted:	64%
Rural Communities Impacted:	36%

Selling Affordable Multifamily Mortgages

by George Vine, Vine & Associates

This article will explain how affordable housing lenders can plan for loan sales, highlight some of the issues that should be addressed in such planning and show one possible approach to conducting a sale.

Benefits of Selling Loans

Loan sales are valuable portfolio management tools, enabling lenders to reduce concentrations of credit risk in single loans, borrowers, project sponsors and geographies. The greatest benefit of loan sales may be to entice investment in affordable housing from capital sources who would not otherwise invest—investors without the capacity to originate or those uncomfortable with the perceived risk profile of whole loans (e.g. pension funds and insurance companies). Secondary market buyers can convert whole loans into securities with different risk profiles that can be doled out to the most appropriate final investors.

Affordable housing lenders need to plan for the sale of their mortgages long before they expect to sell them. This is not because loan sales are long drawn-out affairs (although they can be), but because loans made without consideration for their sale may never be sale suitable. Even if lenders have no intention to sell, they should still make loans that are saleable to maintain financial flexibility in case circumstances change.

Impediments to Selling Loans

There is an active secondary market for conventional multifamily mortgages. Fannie Mae and Freddie Mac dominate this market with billions of mortgage dollars changing hands each year. However, the functioning and volume of the conventional secondary market require a standardized mortgage "product"—not the kind of loans affordable housing lenders typically make, which tend to have complicated borrower structures. In short, these loans are complicated and unique.

The risk mitigants that affordable housing lenders have come to rely on—below-market rents, tax credit limited partners, and the senior lender's option to convert a project to market rents after a foreclosure—are given short shrift by conventional market participants.[1] Compounding the difficulties, many affordable housing lenders will likely have to sell far less than the upwards of $100 million desired in the secondary market for a "good execution" (i.e. many interested bidders resulting in a good price).

Overcoming Loan Impediments

So far, the impediments discussed are unavoidable in the world of affordable housing. Others, such as pricing, are to some extent under the lender's control. Mission-oriented secondary market purchasers exist, but none who will subsidize below-market loans. Affordable housing lenders that intentionally (or inadvertently) originate such loans must sell them at discounts below their remaining principal balances. The size of the sale discount increases as the spread between the loan's interest rate and the market rate increases. Lenders who continually adjust their rates to the current market may expect that on average the premiums on higher rate loans will offset the discounts required on lower rate loans–provided that the loans contain prepayment penalties. High rate loans without effective prepayment penalties—the longer the better—will command little, if any, premium over face value in the secondary marketplace.

Other loan structure impediments include adjustable interest rates (fixed

1 *See for example "Valuing Tax Credits in Affordable Multifamily Transactions", "Standard & Poor's Public Finance" August 30, 1999 or "Using Low Income Tax Credits in Affordable Housing Deals: Two Sides of the Story", "Moody's Investors Service Municipal Credit Research" August 2000.*

rates are preferable), non-standard amortization periods and terms (both should be 30 years or less), and lack of reserve provisions (replacement reserves under the lender's control are often required, operating reserves are desired). It is also important that the lender compile quarterly and annual financial information on the property, borrower and partners.

Standardized loan documentation throughout the sale portfolio is critical. Buyers do not want to read every loan document on each loan to understand the portfolio. The closer the loan documents conform to conventional multifamily standard, (set by Fannie and Freddie) the better. Loan files should be well organized, current and complete. In addition to the usual items (box 2), they should include current utility allowance schedules, information on current market rents, amount of tax credits awarded and remaining, and subordinated debt and regulatory agreement documents. A potential purchaser may extrapolate the condition of the loan files to the lender's skill and care in making the loans. Problems here will bias the purchaser toward rejecting loans or lowering the offer price.

Recognizing Property Impediments

In evaluating loans, purchasers focus laserlike on historical debt service coverage ratios (DSCR's), generally requiring ratios of 1.15 and above. Affordable housing project owners, however, often manage to a break-even cash flow (equivalent to a 1.0 DSCR) to keep rents as low as possible. Or, they load up property expenses to avoid making payments on junior mortgages. Loans on these properties are difficult sells. Loans in the midst of "events" are also difficult sells. Such events include the replacement of a property manager or partner, construction defect litigation, testing for mold infestations or even extensive property renovation that results in higher than normal maintenance expenses. Lenders should recognize that these loans might have to be held to maturity.

Chronically poor performing loans (no matter how strong their payment history) are difficult to sell at all, and if a buyer can be found the discount

Box 1

Purchasers of Affordable Multifamily Housing Mortgages

The Community Development Trust, based in New York City, will purchase existing individual loans and loan portfolios as well as forward commitments underwritten to its specifications. They will consider smaller loans (under $5MM), inner-city and rural locations, assisted living facilities, scattered site and urban rehabs as well as more conventional loans. They have developed a comprehensive selling and servicing guide that can be very helpful to lenders new to selling mortgages in the secondary market.

Judd S. Levy, President and CEO,
(212) 271-5099
www.CommDevTrust.com

The Community Reinvestment Fund, based in Minneapolis, Minnesota, purchases existing economic development and housing loans and portfolios. They do loan servicing and provide technical assistance to community development lenders. They have an extensive client list in the western United States including several loan consortia, public agencies and CDCs.

Frank Altman, President
(612) 338-3050 or (800) 475-3050
www.crfusa.com

Impact Community Capital LLC is a consortium of insurance companies based in San Francisco, California. It is a new organization that, to date, has focused on relatively large transactions like purchases of $125 million of affordable housing loans from the Bank of America and $40 million from the California Community Reinvestment Corporation. Currently they concentrate on California loans.

Daniel F. Sheehy, President and CEO
(415) 981-1074
www.ImpactCapital.net

will likely be enormous. One option for such loans is to restructure them (e.g. by getting a paydown in exchange for a lower interest rate) prior to attempting their sale.

Potential Loan Buyers

Given all the impediments listed above, the industry is fortunate to have at least three organizations that specifically target the secondary market purchase of affordable housing mortgages. They are (in alphabetical order) the Community Development Trust, the Community Reinvestment Fund and Impact Community Capital, LLC (see box 1). All of these work by purchasing pools of affordable housing mortgages, credit enhancing the pools and re-selling the higher graded portions to insurance companies and/or pension funds—thus facilitating affordable housing investment by non-traditional investors.

Other potential purchasers are banks and savings institutions seeking Community Reinvestment Act investments. Having the borrower refinance the loan somewhere else is another viable alternative. If the loan is at an above-market rate with a prepayment penalty, the lender may offer to reduce or eliminate the penalty for a short period of time in order to encourage a pay off.

How to Conduct a Loan Sale

Identify loans to sell

Select loans to sell based on their interest rate (e.g. take advantage of low-interest rate periods to sell low-yielding loans), performance or to reduce exposure to certain borrowers or locations. Recognize that after several loan sales a lender's remaining portfolio will contain a higher proportion of poorly performing loans as the good ones are sold off.

Identify potential buyers

Consider the secondary market purchasers listed as well as local banks and savings institutions and other lenders.

Prepare a bid package

Loan purchasers are at a disadvantage in negotiating loan purchases since they cannot know as much about the loans as the seller does. For this reason, purchasers will evaluate the quality and the integrity of the seller as thoroughly as the loans that are offered. Similarly, sellers typically will not know the secondary market as well as a purchaser, who is in that market every day. Sellers often use a bid process to reduce the risk of getting a below market price. Three seems to be the right number of bidders–it is large enough to get a good cross-section of opinion, yet small enough so that each bidder will believe the chance of success is worth the cost to make the bid. Box

Box 2

Contents of a Bid Package

1. Summary spreadsheet containing project name, address, number of units and unit mix, rent restrictions, borrower information, loan commitment, current balance, monthly payment, interest rate, re-pricing dates and spreads, maturity, amortization, prepayment information, operating performance information, subordinate debt information, appraised value, tax credits remaining
2. Payment histories
3. Summary project descriptions
4. Project photographs
5. Most recent inspection reports
6. Copy of the notes
7. Spreadsheets of year to date and last three years operating history
8. Copies of selected appraisal information
9. Most recent rent rolls
10. Year-to-date income statements
11. Last two years annual project audits
12. General partners financial statements
13. Most recent utility allowance schedules
14. Applicable apartment market research reports

two shows the contents of a typical bid package. The objective of the package is to make the process of evaluating and pricing the portfolio from the bidder's desk as easy as possible.

Evaluate the Offers

The offers should list a proposed purchase price for each loan. The proposed price will be indicative only, subject to the completion of a file review. The portfolio will be re-priced closer to the sale date, taking into account any changes in market interest rates and interest rate spreads over U.S. Treasury notes. The seller is often in the dark with respect to the purchaser's pricing model and must rely on good faith (as well as the threat of terminating the transaction) that the re-pricing will be reasonable. The seller should develop their own pricing model or portfolio valuation against which to test the bids and subsequent re-pricing.

The offers may reject certain loans (they should provide a reason for the rejections) or they may offer to purchase certain loans only with some form of seller enhancement (e.g. a top loss guaranty or with seller retention of a first loss participation). Enhancements can often be reduced or eliminated by providing the bidder with additional information relating to particular concerns.

To evaluate the offers, the seller must consider not only the price and the number of accepted loans, but whether any requested enhancement can be provided. Most importantly, the seller should evaluate the probability that absent new negative information, the final purchase commitment will mirror the original offer. Contact references provided by the bidder and ask how those transactions closed. Under some circumstances the seller may consider requiring a good faith deposit of the buyer.

Due diligence

The due diligence period will require from 30 days to four months or longer depending on the size of the portfolio and the resources each party devotes to closing. The seller's interest is best served by minimizing this time period—the longer it takes the more chance of an untoward "event" or an adverse change in market interest rates or spreads.

During the due diligence period, the purchaser will go through the loan files in detail and may visit the properties and order some new third party reports. The purchaser's thirst for information will likely test the seller's and borrowers' patience, as answers will likely require repeated borrower contact.

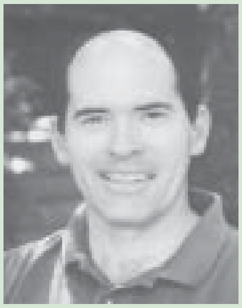
At the end of the due diligence period the focus will change to negotiating the seller's representations and warranties in the purchase agreement. The purchaser wants them to be as many and as broad as possible to protect from everything the purchaser does not know. The seller wants them to be as few and as specific as possible to protect against both what the seller does not know and future eventualities. Violations of the reps and warranties may require the seller to repurchase the mortgages and/or pay damages. The seller should get a good legal review before signing the final purchase agreement

Closing

Finally, the purchase agreement will be signed, funds will change hands and the loan files will be transferred to their new home. The seller can now heave a sigh of relief and begin preparing for the next sale if business is good. ***CI***

edited by Patricia Rea

About the Author



George Vine, CFA, established his consulting practice, Vine & Associates, in 1996 to provide financial restructuring and transaction analysis services to affordable housing investors and lenders. The firm's client list includes the California Community Reinvestment Corporation and Impact Community Capital LLC. Vine, formerly a commercial banker specializing in real estate credit, is a chartered financial analyst with a masters degree in urban planning from UCLA. He may be reached at (818) 957-0534 or email: gvine@VineAssociates.com.

District

— Investment Opportunities —

Restoration Loan Agency

One of the biggest barriers for low-income people in obtaining employment and staying gainfully employed is a lack of reliable transportation. The Shasta County Department of Social Services has joined Restoration Enterprises in a partnership that provides at-risk families with small auto loans to break the transportation barrier. Restoration Enterprises manages the Revolving Auto Loan Pilot Project for clients seeking transportation loans to accept, retain or upgrade employment. Restoration Enterprises provides credit counseling and budget training as part of the program.

For more information and to find out how financial institutions can help expand the program, contact Restoration Enterprises at 530/245-0500 or **RE@restoringshasta.org**.

TCC Small Business Loan Fund

TELACU Community Capital (TCC) is a self-sufficient nonprofit public benefit corporation that provides needed capital to small businesses located in low-to moderate-income communities of Los Angeles and Orange counties. The loan fund was established in December 2001 with a seed capital base of $150,000 from TELACU Community Capital's parent corporation. To guide in developing new loan products and services that meet the small business owner's most pressing financing needs, TELACU Community Capital has launched a comprehensive survey of small business owners located in the cities of southeastern Los Angeles County and in the Santa Ana/Anaheim metro region. TCC is currently seeking financial and social investment partners to increase the Small Business Loan Fund to $2 million dollars to better serve the growing number of small businesses

For further information contact Mari Riddle, TELACU Community Capital executive director at 323/721-1655.

— Reference, Resources and Other —

On-line Finance Training

Southern New Hampshire University (formerly New Hampshire College) announces the Community Development Finance Institution (CDFI) On-Line Training Institute. The "self-paced" training format assists local community development organizations, community credit unions and practitioners to take full advantage of experts in community development finance from around the country using today's technology. This course is designed for managers and staff from CDFIs, CDCUs, CDCs, loan funds, housing organizations, indigenous groups, land trusts, local banks and other nonprofits. The training is FREE to qualifying organizations.

The CDFI On-line Institute offers three courses:

1. How to Conduct a Market Analysis
2. How to Prepare Financial Projections
3. How to Develop and Operate a Community Development Lending Program

For more information contact Sharon Hunt at **s.hunt@snhu.edu**.

Privacy Resource Guide

The participant's notebook from the regulatory agencies' privacy preparedness training is available. In addition to a wealth of reference material, the notebook includes copies of the Federal Register with the Privacy Rule and Interagency Guidelines for Safeguarding Customer Information. It also includes several publications from the agencies, a flow chart to help navigate the Privacy maze and finalized Privacy examination procedures.

To obtain your copy, contact Claudia McHale at 415/974-2467; or you may e-mail her at **claudia.mchale@sf.frb.org**. There is a nominal charge of $25.00 for each notebook ordered to cover the material and duplication costs.

Envision Utah Toolbox

In March, Envision Utah trained over 500 stakeholders at 17 regional workshops to use its updated Urban Planning Tools for Quality Growth. Chapters examine meeting housing needs; protecting sensitive lands; walkable communities; reuse and refill; water conservation; urban forestry; energy conservation; walkable commercial development; and public safety and street design. These strategies help give local elected and appointed officials the tools and resources to replicate Envision Utah's Quality Growth Strategy. Envision Utah recently received the rarely given Daniel Burnham Award from the American Planning Association.

For more information on Envision Utah, go to **www.envisionutah.org** or contact Kristin Thompson, community relations manager at 801/303-1452.

Bulletin

— Conferences and Seminars —

July 21–25

June 21 is the deadline to register for the Federal Reserve Bank of San Francisco's National Community Development Lending School. Applications received after June 21 will be considered if space is still available. This year's school will be held on the University of Southern California campus. An online brochure can be downloaded at: **www.frbsf.org/news/events/ncdls/index.html** or by calling Bruce Ito at 415/974-2422. For questions about eligibility or curriculum, contact Fred Mendez at 415/974-2722.

November 17–18

The Federal Home Loan Bank of San Francisco will host *Expanding the Territory: A Faith-Based Conference For Affordable Housing and Economic Development* on November 17–18, 2002, in Los Angeles. The conference is designed for financial institutions, faith communities, developers and others to examine the faith-based financial market and focus on effective strategies for meeting the challenges of community economic development and affordable housing through investment, collaboration and education. To learn more about the bank's faith-based initiative, visit their website at: **www.fhlbsf.com**.

Registration materials will be sent out over the next several months. To obtain registration materials, contact Susan Broadnax via email at **broadnas@fhlbsf.com** or by phone at 415/616-2885.

Announcing a Sovereign Lending Conference on

Banking Opportunities in Indian Country

A national conference to encourage initiatives and partnerships that increase access to credit and capital and strengthen local economies

November 18-20, 2002
Doubletree Paradise Valley Resort
Scottsdale, Arizona

Sponsored by the Federal Reserve System

Program and registration details will be available in August at:
www.federalreserve.gov/communityaffairs/national/indian countryconf/default.htm

In the meantime, inquiries may be directed to the Federal Reserve Bank of Minneapolis at 866/226-7167 (toll free).

Community Investment Archives

Would you like to read more about the topics covered in this edition? Copies of part articles from Community Investments are available on our website at **www.frbsf.org/community/index.html** or by request from Judith Vaughn at (415) 974-2978.

Avoiding Common Pitfalls of Data Collection

CRA Data Collection—Answers to Perplexing Questions (Volume 10 #2, Spring 1998)

CRA Examination Procedures: Answers to Common Questions (Volume 9 #3, Summer 1997)

Selling Affordable Multifamily Mortgages

Affordable Multifamily Mortgage Risk—One Lending Consortium's 10-Year History (Volume 12 #1, May 2000)

Consortia and the CRA (Volume 10 #4, Fall 1998)

The Emerging Secondary Market for Community Development Loans (Volume 9 #2, Spring 1997)

Free subscriptions and additional copies are available upon request from the Community Affairs Unit, Federal Reserve Bank of San Francisco, 101 Market Street, San Francisco, California 94105, or call (415) 974-2978.

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