

# Bishops take HIV tests to raise awareness

*By leading through example, clergy hopes to convince one million folks to take HIV test*

*Special to Sentinel-Voice*

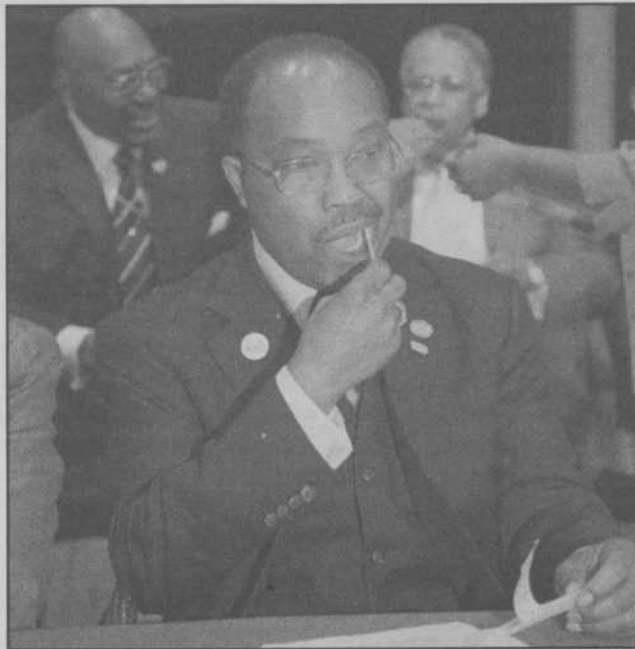
In an effort to promote HIV/AIDS awareness, members of the Christian Methodist Episcopal Church College of Bishops symbolically took an HIV Test at on Tuesday during a press conference at the Riviera.

The national leadership of the CME Church is challenging its 800,000 members, as well as African-Americans nationwide, to join the "1 in a Million" campaign, a call-to-action for one million Blacks to get

screened for HIV by December 1, 2008, which is recognized as World AIDS Day.

AIDS is the leading cause of death for Black women ages 25-34 years old. The federal Centers for Disease Control and Prevention reports that more than 260,000 Americans are infected with HIV but don't know it.

The CME Church, a historically African-American Christian denomination, is meeting in Las Vegas through Friday for its 21st Annual Convocation.



*Sentinel-Voice photo by Marty Frierson*

**Bishop Henry M. Williamson Sr., chairman of the CME College of Bishops takes the HIV test with other bishops.**

The 800,000-member church is also celebrating its 136th anniversary. CME shares a common doctrinal history and heritage with other Methodist and Wesleyan bodies. It has missions and sister churches, schools and health clinics in Haiti, Jamaica, Ghana, Liberia, and Nigeria.

The College of Bishops provide spiritual and executive leadership. The college consists of 10 active and three retired bishops. Each active bishop presides over a geographical area known as an Episcopal District.

Church CEO and senior bishop, William H. Graves of Memphis, has led the HIV awareness initiative aware.

Inside the convention center of the hotel, Chris Reynolds, a disease investigation intervention specialist with the Southern Nevada Heath District, administered the test to the CME College of Bishops. The goal: to show how easy and painless the test is.

HIV/AIDS continues to bedevil Black America. In Southern Nevada, Blacks, who account for nine percent of the population, comprise 25 percent of the reported HIV and AIDS cases. There are 5,874 people living with HIV/AIDS in Clark County.

For more information about the CME church and to view the public testing visit [www.c-m-e.org](http://www.c-m-e.org).

# African-Americans hurt bad by subprime loans

*By R. Billingsley*

*Special to Sentinel-Voice*

HOUSTON (NNPA) - Three years ago, relaxed lending practices allowed many African-Americans to own their home, sending the rate of homeownership to historic highs.

But according to a recent study of subprime mortgages by the Center for Responsible Lending, "2.2 million U.S. households will lose their homes to foreclosure" and subprime loan foreclosures will affect 10 percent of recent African-American borrowers. That means more and more African-Americans are losing their homes.

Subprime loans are high interest loans that are generally utilized by those who have poor credit scores and limited options, explained Sharon Reuss, spokeswoman for the Center for Responsible Lending.

"I think often African-Americans are steered in the direction of subprime loans by brokers," said Reuss.

"Banks totally relaxed their guidelines several years ago," said Sharlene Mercier, a real estate agent and instructor with Trinity One Mortgage, LLC. "They gave loans to people with bad credit, unverified income, or no down payment. As a community, we took advantage of that and it's coming back to bite us. We moved into homes we couldn't afford. We didn't prepare for gas, food, or cost of living increases. Now we're having a reality check."

That reality check is coming as more and more African-American homeowners are defaulting on their subprime loans, which were intended to serve people who do not meet traditional underwriting criteria, including those with blemished credit records or without a traditional credit history. Subprime borrowers may not qualify for loans at interest rates available in the prime market. Subprime lenders took chances in hopes that they could turn around and sell the loan. But now, because of the high rate of subprime borrowers defaulting on their loans, investors are no longer willing to buy this debt and the lenders are no longer lenient.

## Disproportionate numbers

The Center for Responsible Lending study looked at subprime mortgages that originated during the seven-year period between 1998 and 2006. In 2002, African-Americans were

3.6 times as likely as Whites to receive a home purchase loan from a subprime lender and 4.1 times as likely as Whites to receive a refinance loan from a subprime lender.

The future doesn't look any brighter. The study also projects that, "one out of every five (19.4 percent) subprime loans made today will fail."

According to Reuss, borrowers in neighborhoods where African-Americans are concentrated are much more likely than borrowers nationwide to receive a loan from a subprime lender. In 2000, borrowers in neighborhoods where at least 80 percent of the population was Black were 2.2 times as likely as borrowers in the nation as a whole to refinance with a subprime lender (53.1 percent vs. 23.8 percent).

Predatory lending occurs when banks and mortgage providers target individuals with a lot of built up equity in their homes, talk them into refinancing their loan and then saddle them with higher interest rates and higher monthly bills. When they default on the loan, the banks collect the equity.

Not all subprime loans are predatory, but predatory mortgage lending occurs predominately in the subprime market. Predatory loans often contain high interest rates and some lenders also refinance (or "flip") loans to collect more fees rather than to benefit the borrower. Others target African-Americans, Latinos, the elderly, and low- and moderate-income households. They push unnecessary or overpriced loans on vulnerable populations.

And according to industry experts, predatory lenders use their more flexible terms to prey on consumers who may be desperate for a loan or uneducated about the home buying process.

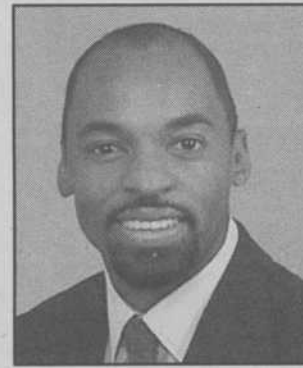
"Predatory lenders have two distinct targets," said James Ballentine, director of com-

munity and economic development at the American Bankers Association in Washington, D.C.

"They go after minorities, because they consider them to be less financially sophisticated than other ethnic groups, and the elderly, because they are seeking to retrieve equity out of their homes. Or they sell the elderly high-cost mortgages, refinanced loans, or consolidation loans that they can't afford so they can take their homes."

These and other abusive practices have escalated predatory mortgage lending to a paramount issue, said Mercier.

Loans with predatory terms are much more likely to end in foreclosure than conventional loans. Foreclosures can devastate communities where vacant homes are concentrated.



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— James Ballentine  
American Bankers Association in Washington, D.C.

Foreclosures have a negative impact on entire neighborhoods, as the repossessed homes often stay vacant for extended periods and depress the value of the surrounding properties."

John Taylor, president and CEO of the National Community Reinvestment Coalition, said that it is common for lenders to underwrite subprime loans based, not on a borrower's ability to repay, but on the value of the borrower's home that the lender stands to gain in a foreclosure or from fees associated with the loan.

## Regulating an industry

Some fair-housing advocates think new laws should regulate subprime lending. In fact, Freddie Mac, a company that purchases mortgages to support homeownership, has recently announced that they will refrain from buying subprime mortgages with a high likelihood of foreclosure.

The company is developing a new model of subprime products that will give more protection, characterized by longer fixed terms and reset periods, according to Sharon

McHale, vice president of public relations for Freddie Mac.

Another agency monitoring the subprime lending industry is ACORN, which has become very vocal in its fight for home ownership rights.

"The banks created this situation when they abandoned our neighborhoods and opened the door for the loan sharks. Now we're finding that these same banks are profiting from us through their financing or even ownership of these predatory lenders," said ACORN National President Maude Hurd.

"We know that many of the people who got subprime loans could have qualified for a lower cost mortgage, but instead they were pushed into a higher cost loan because the mortgage company saw an opportunity to make more money."

ACORN is calling for changes including: adherence to a "code of conduct" pledging an end to deceptive and predatory practices on the part of subprime lenders; increased outreach and lending from traditional "A" lenders; stronger state, federal, and local legislation to protect consumers from abusive practices; and the aggressive investigation and prosecution of predatory lenders.

## Education is key

Mercier, who also teaches real estate and homebuyer classes said African-American homebuyers must educate themselves.

"Do you have life insurance, six months worth of savings? What's happening is, you get people — first time homebuyers even — who are looking at a \$250,000 house, when all they can really afford is a \$150,000 house, but because someone said, 'I'll find a way to get you in that house' we're jumping on the bandwagon."

## Face the problem

If you're caught up and facing foreclosure because of your subprime loan, it's best to not avoid the problem.

"It's not going to go away just because you don't face it," Mercier said. "Lenders across the country are actually reaching out to borrowers to try to prevent foreclosures."

"Start by accepting or returning your lender's calls. Tell them how much you can afford. Show a good faith effort."

R. Billingsley writes for the Houston Defender.