have been alleged may have been confined to second, third, or even fourth trusts, placed by or bought and sold by unregulated lenders. We feel that there has been no demonstrated need for the application of this code amendment to real estate loans made by reputable, regulated lenders. It is our position that to impose this unnecessary provision in respect to such loans held by legitimate lenders is to impose an additional cost that will ultimately be borne by the borrowers. As illustrative of my point, it is my impression that in the State of Maryland, where a first trust must be foreclosed through a court procedure, there is an additional expense of not less than $400 and up to two or three thousand dollars ultimately borne by the borrower, expense that would not be incurred in the District of Columbia. This includes such items as court costs, attorney fees, et cetera. We would certainly make no objection to any provision which would require notification to the borrower or homeowner of a pending or threatened foreclosure, thereby allowing ample time to seek remedies under existing law. This is a practice that is invariably followed by our member banks. The subcommittee might well take note of the possibility that in the present tight money market when home loans are difficult to obtain and when the normal out-of-the-city sources of money for home loans have almost dried up, the imposition of additional restrictive provisions affecting legitimate real estate loans and legitimate lenders may result in further aggravating the already critical shortage of home mortgage money.

For reasons stated above, the District of Columbia Bankers Association opposes S. 2592, unless it is amended to exclude security interests in real estate held by federally insured financial institutions in the District of Columbia. I do not speak for the savings and loan associations of Washington, which are all federally insured, but I am assured by officials of the District of Columbia Savings & Loan League that they share fully our views in this matter, have officially acted within their organization, and have communicated their position to the committee.

We offer for consideration—and with apologies if this is not proper—the following suggestion for amendment of the bill patterned on title 26, section 610, dealing with the requirement for money lenders' licenses:

> The requirements of this section shall not be held to apply to deeds of trusts or mortgages securing loans made by national banks, licensed bankers, trust companies, savings banks, or building and loan associations, as defined in sections 47–1701 to 47–1709 of the District of Columbia Code.

Thank you for giving our association an opportunity to express its views.

I would like to add, too, that I have left out anything which might not sit well with the judiciary. Anyone who is familiar with the time element involved in the District court actions would realize that if a mortgage is foreclosed that it could very well delay the foreclosure for up to 2 years, and in the meantime the property would go to pot. I really hesitated to put that in the written statement, because I do not want to do any injury to the picture of the courts here. The action is so slow that we have had cases of other types in the courts which have been heard in 18 months and another 6 months