

Sound too good to be true?

It may be a bad loan.

Did your lender pressure you to sign a loan document that you didn't understand?

Did the lender fees for your loan seem high?

Did your lender make verbal promises but never put them in writing?

Before you sign, know the bottom line.

For help with a bad loan, call the Seattle Office for Civil Rights at (206) 684-4500.

Need help?

To report discrimination, or for information about predatory lending:

In Seattle:

Seattle Office for Civil Rights
(206) 684-4500 TTY (206) 684-4503
www.cityofseattle.net/civilrights

In King County:

King County Office for Civil Rights
(206) 296-7592 TTY (206) 296-7596

In Washington State:

Office of Financial Institutions
1.800.372.8303 www.dfi.wa.gov

The City of Seattle also investigates allegations of discrimination in:

- Housing
- Employment
- Contracting
- Public accommodations



City of Seattle
Greg Nickels, Mayor

Seattle Office for Civil Rights
(206) 684-4500 TTY (206) 684-4503
700 3rd Avenue, Suite 250
Seattle WA 98104-1849
www.cityofseattle.net/civilrights

Does your loan sound too good to be true?



Are you the target of a bad lender? It may be illegal discrimination.

Predatory lenders often target people of color, seniors, and immigrants.

Loans based on race, national origin, disability or other protected classes are illegal discrimination.

If it happened to you, you may be able to file a charge of illegal discrimination.

Get help with bad loans and predatory lenders:

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Is it discrimination?

- A loan officer makes repeated phone calls to a 63-year old African American homeowner. He urges her to refinance her house at his special “neighborhood rates” – which are *higher* than current market rates.
- A mortgage lender convinces a family that speaks little English to refinance their home loan on a yearly basis, and pay hefty fees each time.
- A loan officer spots a wheelchair user at a home improvement workshop. The lender promise low monthly payments on a loan to pay for a wheelchair ramp. The payments turn out to be more than the disabled man’s SS income, and eventually the lender seizes his house.

Loans based on people’s race, disability, national origin or age are illegal discrimination.

The Seattle Office for Civil Rights can help!

Our Predatory Lending Specialist can help free you from the grip of a predatory lender.

We will sit down with you to review your situation and all your paperwork. You may be able to file a charge against the lender under Seattle’s anti-discrimination laws.

What is Predatory Lending?

Predatory Lending is dishonest lending. Predatory loans harm borrowers by making it difficult or impossible for them to keep up with payments. Borrowers may pay unnecessary fees and excessive interest charges. If they miss their payments, they risk losing their home.

Predatory lenders prey on people who are unfamiliar with the banking system. They target seniors, people of color, or anyone whose credit makes it hard to get a regular bank loan.

Not all loans are predatory. Borrowers who do not meet minimum credit standards usually pay higher interest rates. But no one should be a victim of price gouging and outrageous fees.

Do these tactics sound familiar?

Loan fees ... going up?

All banks charge loan fees for processing, administration and other tasks. Such fees average 2–3% of the loan amount. Did you pay more?

Are you under pressure?

Did your lender pressure you to sign for a loan that you do not understand? Predatory lenders often use fast talk and legalese to avoid telling you exactly how much your loan will cost.

“Where’s the loan we talked about?”

Did your loan costs shoot up at the last minute? Did the interest rate climb? Does the loan sound different? Predatory lenders often use “bait and switch” tactics to trap you in a financial straitjacket.

Can you afford it?

Are your loan payments higher than your income? Predatory lenders can fool you with low monthly payments that suddenly balloon or increase out of control.

New loans to cover old loans

Did your lender “rescue” you from a bad loan with a new bad loan? Every time you refinance a loan, you must pay new fees. Predatory lenders like to offer you a bigger shovel to dig a deeper financial hole.

Do you need credit insurance?

Did your lender insist that you finance credit insurance (sometimes called “Single Credit Life Insurance”) as part of your loan? Did they write it in without your knowledge or consent? Predatory lenders can trick their customers into buying this often expensive product.

A countywide coalition

The Seattle Office for Civil Rights and the Seattle Office of Housing are the lead agencies in a countywide coalition formed to stop predatory practices.

The Seattle/King County Coalition for Responsible Lending uses 3 strategies to fight predatory lending:



- **Research** – to learn the extent of predatory lending practices in our region
- **Education** – to inform the public about unfair and discriminatory lending
- **Remedies** – to help people get out from under unfair loan contracts and to avoid foreclosures.

Do you believe your home lender discriminated against you?

Call the Seattle Office for Civil Rights. We can help you explore your options under the law. Our services are free, fair and impartial.

If we discover other issues concerning your home loan, we can point you in the right direction for help and good advice.