

**FOR IMMEDIATE RELEASE**

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## **More than 100 Watchdog Groups Demand Full Fair-Lending Compliance and Disclosure in National Mortgage Settlement**

*\*\*Financial reform and civil rights advocates available for comment\*\**

On Wednesday, March 27<sup>th</sup>, a coalition made up of [109 civic groups sent a letter](#) to Mortgage Settlement Monitor Joe Smith and the Executive Monitoring Committee highlighting concerns with the slow pace of change on the ground for hardest-hit communities and the need for greater oversight.

Homeowners and advocates around the nation have grown frustrated by the banks' failure to disclose information about consumer relief under the National Mortgage Settlement as communities continue to see persistent servicing violations and struggle to get affordable mortgage modifications with principal reduction.

Advocates pointed out that communities of color and low-income communities, who are among the hardest hit by the fraudulent practices of Wall Street banks, have been slow to receive relief. "Latinos throughout the nation were disproportionately affected by the mortgage crisis," says **Janet Murguía, President and CEO of the National Council of La Raza**. "We in the civil rights community hoped that the National Mortgage Settlement might give our families relief from unnecessary foreclosure with the promise of principal reduction. However, a year since the agreement was made, we hear from our housing counselors that our families—those who were hit hardest by the crisis—have seen little to no relief. Without race, ethnic, and geographic data, it is impossible to tell whether banks have met their full obligations under the settlement. The Executive Monitoring Committee and Monitor Joe Smith must make this information available to the public so we can be confident the settlement is working for families who need it most."

"The cycle of discriminatory lending must be broken," said **Mark Ladov, counsel at the Brennan Center for Justice**. "The national mortgage settlement was set up to help prevent foreclosures and end mortgage servicing abuse. The monitor must act now to make sure banks comply with the terms of the settlement agreement and live up to their side of the bargain. We need full transparency and accountability to ensure all borrowers, including communities of color, are receiving the help they need to stay in their homes."

"Communities of color were disproportionately targeted by abusive lenders, and they have been disproportionately hurt by the foreclosure crisis. We need both vigorous enforcement of servicing standards for all homeowners, and the data to make sure that communities of color

are not also being disproportionately denied fair relief,” said **Lisa Donner, Executive Director of Americans for Financial Reform.**

“The national mortgage settlement is supposed to bring relief to homeowners who were hardest hit by Wall Street’s malfeasance,” said **Brian Kettenring of the Campaign for a Fair Settlement.** “Unfortunately, the reports to date fail to provide any insight into whether the settlement is benefitting communities of color. Every week we see fresh evidence that the banks and servicers can’t be taken at their word: We need data and hard evidence that they’re doing what they’re required to do.”

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