

California Loan Modification Service Providers Discriminated Against Hispanic Homeowners



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California, U.S., August 27, 2016 (Newsire.com) - The Justice Department has filed a lawsuit alleging that several mortgage loan modification service providers have violated the federal Fair Housing Act and Equal Credit Opportunity Act by

discriminating against Hispanic homeowners.

The defendants, The Home Loan Auditors LLC, Century Law Center LLC, SOE Assistance Center Inc., Spieker Law Office, targeted Hispanic homeowners for predatory mortgage loan modification services and impeded the homeowners' ability to receive financial assistance to maintain their homes.

The complaint filed August 23rd, 2016 in the U.S. District Court for the Northern District of California alleges that the defendants marketed and encouraged Hispanic homeowners to pay approximately \$5,000 for unnecessary and ineffectual loan audits. The defendants indicated to the homeowners that audits were essential for a loan modification while in fact the audits did not impact the loan modification process and did not provide any financial benefit.

As part of their mortgage service the defendants encouraged their clients to stop making mortgage payments and to end all communication with their lenders. This led many homeowners to default on their mortgage payments and ultimately led them to lose their homes.

This lawsuit originates from complaints filed with the U.S. Department of Housing and Urban Development (HUD) by two of the defendants' former clients.

"Intentionally targeting any community or person with predatory mortgage services because of their ethnicity or national origin violates federal law, harms working families and hurts our entire economy," said Principal Deputy Assistant Attorney General Vanita Gupta, head of the Justice Department's Civil Rights Division. "The defendants in this case tried to exploit Hispanic communities and homeowners already suffering from abusive, discriminatory financial practices during the Great Recession that drove the American housing market into crisis and our economy into freefall. The Justice Department's lawsuit serves as a stark reminder and sends a clear message that we will work tirelessly to ensure that all homeowners can access mortgage services

free from discrimination.”

“Hispanic families struggling to stay in their homes do not need empty promises that make their housing and financial situation worse,” said Gustavo F. Velasquez, HUD’s Assistant Secretary for Fair Housing and Equal Opportunity. “HUD is gratified that the Department of Justice is taking action against individuals and companies that victimize homeowners because of where they come from or because they speak Spanish or other languages.”

Anyone with information on the loan modification services provided by The Home Loan Auditors LLC, Century Law Center LLC, SOE Assistance Center Inc. or Spieker Law Office should contact the Civil Rights Division’s Housing and Civil Enforcement Section at 1-800-896-7743 (press 1 to continue in English, and select option 5) or at THLALawsuit@usdoj.gov

Original press release from the United States Department of Justice can be found at:

<https://www.justice.gov/opa/pr/justice-department-alleges-california-loan-modification-service-providers-discriminated>

A copy of the complaint, as well as additional information about fair lending enforcement by the Justice Department, can be found at www.justice.gov/fairhousing.

For any additional questions or concerns please contact Housing and Economic Rights Advocates (HERA) at: inquiries@heraca.org

Este comunicado de prensa también se puede contrar en español:

<https://hera.newswire.com/news/proveedores-de-servicio-de-modificaci-n-de-pr-stamos-de-california-14229459>

Source: Housing and Economic Rights Advocates

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