

What if I have been Victimized by a Predatory Lender?

Predatory lending is illegal, and may give rise to action under the Federal Fair Housing Act and Equal Credit Opportunity Act.

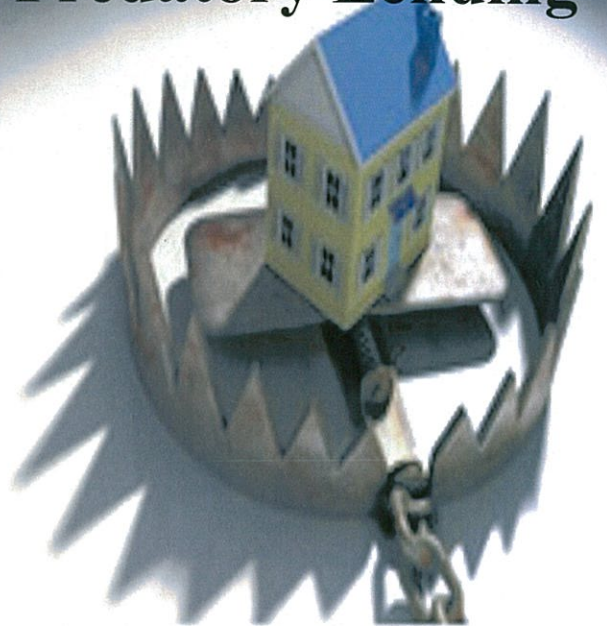
If you feel that your rights may have been violated, call Southwestern Pennsylvania Legal Services' West Penn Rural Fair Housing Initiative for assistance. We can review your loan documents, and if necessary, file an appropriate action.

- You may only have one year to file an action, so call right away.
- Call us at 724-554-3113/724-439-3591
- We provide services and representation in housing discrimination matters in 24 counties



Southwestern PA Legal Services
West Penn Rural Fair Housing
10 W. Cherry Avenue
Washington, PA 15301
724-554-3113/724-439-3591
www.splas.org

Predatory Lending



How to Avoid the Trap

Southwestern Pennsylvania
Legal Services



West Penn Rural Fair
Housing

724-554-3113/724-439-3591

www.splas.org

Don't be a Victim of Predatory Lending:

LEARN THE SIGNS AND HOW TO PROTECT YOURSELF

WHAT IS PREDATORY LENDING?

PREDATORY LENDING INVOLVES MAKING A LOAN THAT A BORROWER DOES NOT NEED, DOES NOT WANT OR CANNOT AFFORD. IN A PREDATORY LOAN, THE PRIMARY BENEFIT ALWAYS GOES TO THE LENDER, NOT THE BORROWER.

WHO IS AT RISK?

ANY HOMEOWNER WHO HAS VALUE IN HIS OR HER HOME, BUT PRIMARILY, PEOPLE EXPERIENCING UNUSUAL FINANCIAL CRISIS AND THE ELDERLY, MINORITIES AND THOSE WITH LOW INCOME OR DAMAGED CREDIT.

Predatory lending is a terrible practice designed to rob you of your home equity. If you agree to a loan based on the equity you have in your home, you could easily be putting your home at risk. Through false promises and outrageous fees, predatory lending can ruin your credit and lead to foreclosure. Those at risk are often targeted with abusive and exploitative practices. Don't risk your home.

Predatory Lending robs you of your home equity

How to Spot Predatory Lending

If a loan has any of the following features, it may be predatory:

- Cash or other incentives
- Making false statements about monthly income
- Balloon payments (a single large payment due at the end of the loan)
- Appraisals that inflate the value of your home
- Prepayment penalties
- Signing over the deed to avoid foreclosure
- Unnecessary insurance and upfront fees for the insurance financed into the loan
- Excessive Fees
- High or Adjustable Interest rates
- Interest Only loans
- Loans that you cannot afford
- Repeated Refinancing
- Door to Door and Home Improvement Scams



How can you protect yourself?

- Don't sign anything you don't understand or anything that has blank spaces
- Don't agree to payment terms you can't afford or are unsure about
- Don't let anyone pressure you into signing anything
- Keep careful records of everything you've paid and challenge any charge you think is wrong
- Check references for contractors who offer to do work on your home—some predatory lenders offer loans connected to home improvement
- Read everything carefully and talk to someone you trust, who won't make money from it, if you need something explained
- Don't deed your property to anyone in a refinance or home equity loan
- Shop around! Many victims of predatory loans could have qualified for better loans.



If you've been victimized, help is available.

Call Southwestern Pennsylvania Legal Services' West Penn Rural Fair Housing Initiative at 877-725-4472 or 724-225-6170