

Public Interest Groups Applaud FHFA Move to Expand Resources for LEP Borrowers

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WASHINGTON, D.C.- Today, a group of civil rights and consumer advocacy organizations, including Americans for Financial Reform Education Fund, the Center for Responsible Lending, Connecticut Fair Housing Center, Consumer Action, Empire Justice Center, National CAPACD, National Consumer Law Center, National Fair Housing Alliance, and UnidosUS, convened by the Americans for Financial Reform (AFR) Language Access Task Force, applauded the Federal Housing Finance Agency (FHFA) for launching the Mortgage Translations clearinghouse. Many of our organizations are members of FHFA's Language Access Working Group and have worked with FHFA on developing the clearinghouse.

The clearinghouse is a valuable resource that will improve the homeownership experience for Limited English Proficient (LEP) borrowers by making available all in-language resources in one centralized place, including translated loan documents, glossaries, and other educational materials. The clearinghouse will be helpful to lenders, housing counselors, attorneys, and other advocates assisting LEP borrowers.

While the first phase of the clearinghouse focused on gathering Spanish-language resources, we look forward to working closely with the FHFA to ensure the translation of documents and compilation of resources in additional languages in the coming years. Many more LEP borrowers will be able to understand their mortgage transactions as a result.

We also commend the recent expansion of the Consumer Financial Protection Bureau's Spanish-English glossary from 300 words to 2,000 words and its development of the *Preparase* website. Both resources will help more Spanish-speaking borrowers access homeownership opportunities, and better understand the homebuying process.

The following are statements from members of the AFR Language Access Task Force:

"The combination of a central repository for all in-language documents and an expanded glossary of terms will increase access to the mortgage market and improve the homeownership experience for Spanish-speaking borrowers because they now have improved access to forms and materials in their preferred language. We encourage the FHFA and CFPB to continue to make more documents available in more languages to provide more LEP borrowers with these resources as they pursue the American dream of homeownership." **(Linda Jun, Senior Policy Counsel, AFR.)**

"The National Consumer Law Center applauds FHFA, Fannie Mae, and Freddie Mac for leading the mortgage market towards greater transparency and accessibility for consumers with limited English proficiency. We hope the lending industry will follow suit by using these documents and translating

other materials. The clearinghouse is a crucial step forward in making sustainable homeownership a reality for this vital and growing population.” **(Sarah Mancini, Of Counsel to the National Consumer Law Center.)**

“We’re proud to support FHFA for taking this important, inclusive step forward in strengthening our mortgage marketplace where borrowers are no longer disadvantaged by limited English proficiency. Buying a house with a mortgage is one of the most significant financial transactions that families and individuals can make in their lifetime. In and of itself, the mortgage process is technical and challenging for native English-speaking borrowers. CRL supports the removal of barriers for non-native English-speaking borrowers seeking to reach for the American dream of homeownership.” **(Aracely Panameño, CRL’s Director of Latino Affairs.)**

The Connecticut Fair Housing Center commends FHFA for innovating and launching the Mortgage Translations clearinghouse. This new tool demonstrates FHFA’s commitment to fair lending and will serve as an invaluable resource for limited English proficient borrowers and their advocates both in the home purchasing process and in the sometimes complicated loss mitigation process. **(Loraine Martinez Bellamy, Staff Attorney, Foreclosure Prevention, Connecticut Fair Housing Center.)**

“The FHFA’s new tool to access mortgage documents in Spanish - including the CFPB’s expanded glossary - is a solid first step in helping to demystify the home buying and mortgage servicing process for limited English consumers who rely on Spanish for their most consequential financial transactions. We look forward to seeing this website grow to include many other languages to help as wide a variety of consumers as possible.” **(Linda Sherry, Consumer Action’s director of national priorities.)**

Empire Justice Center commends FHFA for taking the initiative to organize a clearinghouse of documents in Spanish and the 5 top languages throughout the country. The ability to understand the complex terminology when making a loan or purchasing any consumer financial product before signing the documents is critical. This move by FHFA will lead to limited English proficient borrowers making more informed borrowing decisions because they will be able to read the documents in their own language. (Maria DeGennaro, Staff Attorney, Empire Justice Center.)

We are pleased to see the FHFA taking important steps to address the critical issue of language access, which poses a significant barrier for AAPI households. Households with limited or no proficiency in English are disadvantaged in their ability to understand mortgage terms, statements and other housing-related financial products. A disproportionate number of low-income AAPI borrowers confront language barriers when pursuing home ownership. We look forward to continuing this work with FHFA, especially as the Chinese, Vietnamese, Korean, and Tagalog translations roll out in 2020. **(Lauri Ng, Sr. Policy Advisor, National CAPACD.)**

“The National Fair Housing Alliance commends FHFA for creating this important resource for lenders, housing counselors, and attorneys who work with non-English speaking homebuyers and homeowners. Too often, language has been a barrier that has prevented these families from fully understanding the mortgage transaction they’re entering into, or being able to get the assistance they need from their mortgage servicers. These resources will help the industry serve this market more fairly and effectively, and we look forward to seeing them expanded to other languages in the future.” **(Debby Goldberg, Vice President for Housing Policy, National Fair Housing Alliance.)**

“We are pleased with the launch of FHFA’s Mortgage Translations clearinghouse today. For the past several years, UnidosUS has worked to propose and promote ways for home lenders to improve

homeownership opportunities for Latinos with limited English proficiency. Making these resources available is both an invaluable first step and tool for housing counselors and advocates assisting Latino and immigrant borrowers.” **(Lot Diaz, Vice President, Housing and Financial Empowerment, UnidosUS.)**

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