

# [General Predatory Lending Briefs, Reports & Press Releases](#)

[Property Assessed Clean Energy \(PACE\) Loans](#) || [Land Installment Contracts](#)

## **Property Assessed Clean Energy (PACE) Loans**

- [Group letter](#) from consumer advocates and industry groups urging the CFPB to initiate PACE rulemaking, Oct. 15, 2018
- Comments in response to the Consumer Financial Protection Bureau (“CFPB”)’s Request for Information (“RFI”) [regarding its inherited regulations and rulemaking authorities with focus on incorporating Property Assessed Clean Energy \(PACE\) loans into the Truth in Lending Act’s \(TILA\) Regulation Z mortgage protections](#), June 25, 2018
- Comments submitted by the National Consumer Law Center and the National Housing Law Project to the California Dept. of Business Oversight in response to [proposed rules implementing the consumer protection provisions of AB 1284 for Property Assessed Clean Energy \(PACE\) loans](#), June 8, 2018
- Letter re: [California Senate Bill 1087 from National Housing Law Project, Housing and Economic Rights Advocates, and National Consumer Law Center recommending further changes to PACE legislation](#), April 11, 2018
- Comments [submitted by the National Consumer Law Center and the National Housing Law Project to the California Dept. of Business Oversight on the proposed rulemaking implementation of AB 1284 for Property Assessed Clean Energy \(PACE\) loans](#), Jan. 5, 2018
- Press Release: [Housing and Consumer Groups Statement on California A.B. 1284’s PACE Loan Ability-to-Repay Provisions](#), Sept. 15, 2017
- Issue brief: [Residential Property Assessed Clean Energy \(PACE\) Loans: The Perils of Easy Money for Clean Energy Improvements](#), Sept. 2017  
There has been a sharp increase in homeowner problems with PACE loans. The laudable goal of improving home energy efficiency is being overshadowed by the lack of adequate consumer protections for these loans. This brief catalogs consumer stories and summarizes some of the abuses and challenges of PACE financing.
- [The Department of Energy: Best Practice Guidelines for Residential PACE Financing: Consumer Protections](#), Dec. 15, 2016 (PowerPoint)
- Press Release: [PACE Mortgages Still Risky Despite New Dept. of Energy Guidelines](#), Nov. 18, 2016
- Policy brief: [PACE Energy Efficiency Loans: Good Intentions, Big Risks for Consumers](#), Sept. 2016
- [Homeowner Stories: San Diego, CA \(Elder Law & Advocacy\)](#)

## **PACE Loans in the News**

- April 18, 2017, North Bay Business Journal [“PACE green home-upgrade loans could get bigger legal leash”](#)
- April 11, 2017, Florida Sun Sentinel [“Federal suit says PACE home improvement loan program fails to disclose risks, costs”](#)
- April 5, 2017, [Wall Street Journal, Green-Energy PACE Home Loans Catch Congress’s Ire](#)
- Jan. 10, 2017 [America’s Fastest-Growing Loan Category Has Eerie Echoes of Subprime Crisis](#) (WSJ)
- April 30, 2016 CBS Los Angeles [“Goldstein Investigation: How Going Green Might Have You](#)

[Seeing Red In The End](#) || [Summary and quotes](#)

- Oct 10, 2016 MarketWatch "[These government-approved high-interest green loans are turning mortgage lending upside down](#)" || [Summary](#)
- June 2, 2016 San Gabriel Valley Tribune "[Watch out for these green-energy improvement loans that put homeowners at financial risk](#)" || [Summary](#)
- November 14, 2016 The San Diego Reader "[Solar-power financing could spell trouble: 'I hate to see people lose their homes over something I was involved with'](#)" || [Summary](#)
- February 23, 2016 Comstock's Business Insight for the Capital Region "[A Growing Green Debt? As PACE takes off, realtors warn that unwary homeowners are complicating their finances](#)" || [Summary](#)
- September 27, 2016 The Sacramento Bee "[Is rooftop solar worth it? Californians consider the questions as use, complaints rise](#)" || [Summary and quotes](#)
- May 3, 2016 The Sacramento Bee "[Solar panel loans have spun out of control](#)" || [Summary](#)
- BiggerPockets.com "[Southern California Hero Program - Renovate America - Scam](#)" || [Summary](#)
- July 19, 2016 California Association of Realtors "[C.A.R. Statement on HUD Insuring FHA Mortgages with PACE Loans](#)" || [Summary](#)
- March 28, 2015 Pedersen Real Estate "[Some Big Problems with HERO PACE program - Homeowners Beware!](#)" || [Summary](#)
- June 12, 2015 The Press Enterprise "[MORENO VALLEY: Homebuyer files lawsuit over HERO-financed transaction](#)" || [Summary](#)
- Oct. 5, 2015 The National Real Estate Post "[Run From PACE Loans... Run](#)" || [Summary](#)
- July 17, 2015 The Sacramento Bee "[Energy Improvement program can hobble home sales](#)" || [Summary](#)
- April 9, 2016 Ventura County Star "[Opinion: Mark Chacon: Energy-efficiency loans could cause homeowner headaches](#)" || [Summary](#)

## Land Installment Contracts

- [Statement of the National Consumer Law Center](#) for Hearing: A Review of the State of and Barriers to Minority Homeownership before the U.S. House Financial Services Committee Subcommittee on Housing, Community Development and Insurance, May 8, 2019
- Policy Brief: [Policy Recommendations for a Strong State Law on Land Contracts](#), April 2017
- [Toxic Transactions: How Land Installment Contracts Once Again Threaten Communities of Color](#), July 2016
- **In the News (Installment Contracts)**
  - 11/2/17 WSB-TV2, Atlanta** (4:05 runtime) "[Company accused of preying on low-income minorities trying to buy homes](#)" in which NCLC / Atlanta Legal Aid attorney **Sarah Bolling Mancini** discusses a lawsuit brought by the two legal organizations against Harbour Portfolio for selling toxic land-installment contracts to unsuspecting families in Atlanta.
  - 11/2/17 WSB-TV2, Atlanta** digs into a [national overview](#) of the problem in a separate story (3:45 runtime)

## Litigation

- *Horne et al. v. Harbour Portfolio et al.*
  - Horne et al. v. Harbour Portfolio et al.* [Second Amended Complaint](#) (N.D. GA)
  - Horne et al. v. Harbour Portfolio et al.* [Third Amended Complaint](#) (N.D. GA)
  - [Opposition](#) to Defendant Harbour's Motion to Dismiss Second Amended Complaint
  - [Opposition](#) to Defendant NAA's Motion to Dismiss Second Amended Complaint

[Order](#) on Motion to Dismiss Second Amended Complaint (N.D. GA)*Horne v. Harbour Portfolio*, United States District Court for the Northern District of Georgia: Suit was brought by the Atlanta Legal Aid Society on behalf of 22 African-American residents representing 16 households. The action asserted claims of discriminatory targeting for abusive credit terms in home purchase “contract for deed” transactions extended by Harbour Portfolio. The complaint alleged that Harbour Portfolio, through both intentional targeting of African-American consumers and practices that have a foreseeable disparate impact on African-American consumers, violated the Fair Housing Act of 1968, as amended, 42 U.S.C. § 3601, *et seq.*, the Equal Credit Opportunity Act, 15 U.S.C. § 1691, *et seq.*, and the Georgia Fair Housing Act, O.C.G.A. § 8-3-200 *et seq.* NCLC subsequently joined the case as plaintiffs’ co-counsel. On March 20, 2018, the Court denied a motion to dismiss for all but one of the claims asserted (wrongful eviction). Thereafter, during on-going discovery, including subpoenas issued to Fannie Mae, requests for production of documents by the defendants and depositions of the defendant principal, the parties engaged in mediation before a U.S. Magistrate Judge.

The case settled in December, 2018. The 12 households who were still living in their homes received a deed converting their contract for deed to a mortgage with title insurance, reduced interest rates, shorter repayment terms and, in some cases, principal reductions. They also received a lump sum cash payment. The four households who were evicted/no longer living in the home received separate lump sum cash payments. As part of the settlement, separate attorneys’ fees were paid to plaintiffs’ counsel of record.

## Other Resources

- [Federal Regulation of Consumer Credit: The Cause or the Cure for Predatory Lending](#), March 2004

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# [General Predatory Lending Comments](#)

- [NCLC Comments to the VA on revisions to VA-Guaranteed or Insured Cash-Out Home Refinance Loans](#), Feb. 15, 2019; [Additional Comments, March 14, 2019](#)
- [Comments to CFPB re its draft policy guidance regarding the public dissemination of the Home Mortgage Disclosure Act \(HMDA\) data](#), Nov. 22, 2017
- [Comments to CFPB re Amendments to Federal Mortgage Disclosure Requirements Under the Truth in Lending Act \(Regulation Z\)](#), Oct. 10, 2017
- [Supplemental Comments on the Federal Housing Finance Agency’s Request for Input on Improving Language Access in Mortgage Origination and Servicing Submitted by Americans for Financial Reform’s Language Access Task Force](#), Sept. 1, 2017
- [Comments on the Federal Housing Finance Agency’s Request for Input on Improving Language Access in Mortgage Origination and Servicing Submitted by Americans for Financial Reform’s Language Access Task Force](#), July 31, 2017
- [Group letter to the Federal Housing Finance Agency re Improving Language Access in Mortgage Lending and Servicing](#), July 31, 2017
- [Consumer comments on Loan Guaranty: Revisions to Allowable Charges and Fees Assessed Incident to VA-Guaranteed Home Loans](#), June 12, 2017

- [Comments to CFPB on proposed technical changes to the Home Mortgage Disclosure Act \(HMDA\)](#), May 25, 2017
- [Consumer comments to CFPB re aligning the requirements of the Equal Credit Opportunity Act \(ECOA\) with the data collection requirements of the Home Mortgage Disclosure Act \(HMDA\)](#), May 4, 2017 || [Additional Comments](#), May 25, 2017
- [Coalition comments on Draft Best Practice Guidelines for Residential PACE Financing](#), August 18, 2016 || [Press release](#)
- [Comments to the CFPB regarding Truth in Lending Act - Regulation Z, Qualified Mortgage Rule](#), June 5, 2014
- [Comments to the CFPB regarding Mortgage Closing Process](#), February 7, 2014
- [Comments to the CFPB regarding Truth in Lending Act - Regulation Z: Loan Originator Compensation](#), Oct. 16, 2012
- [Comments to the Federal Trade Commission regarding Advance Notice of Proposed Rulemaking: Mortgage Acts and Practices Rulemaking](#), July 31, 2009
- [Comments of the NCLC and NACA Regarding Advance Notice of Proposed Rulemaking Relating to Unfair or Deceptive Acts or Practices](#), November 2007
- [Comments Regarding the Proposed Illustrations of Consumer Information for Subprime Mortgage Lending](#), October 2007
- [Comments to the Board of Governors of the Federal Reserve System regarding the Board's Authority under HOEPA to Prohibit Unfair Acts or Practices in Connection with Mortgage Lending](#), August 2007
- [Comments to the Office of the Comptroller of the Currency to Federal Banking Regulators regarding Proposed Statement on Subprime Mortgage Lending](#), May 2007
- [Comments to Federal Bank Regulators on Proposed Illustrations Regarding Non-Traditional Mortgages](#), November 2006
- [Comments to the Federal Reserve Board regarding Home Equity Lending Market](#), August 2006
- [Comments to the federal banking regulators regarding nontraditional mortgages](#), March 2006
- [Comments to the Massachusetts Division of Banks regarding 209 CMR §§ 32.32, 34, 40: Predatory Home Loan Practices](#), March 2005
- [Comments on Community Reinvestment Act Regulations](#), April 2003
- [Comments to the Federal Reserve Board regarding Proposed Changes to HOEPA](#), March 2001
- [Comments to the FDIC on Predatory Mortgages](#), January 2001
- [Comments to the Federal Reserve Board on Its Authority to Expand Protections Against Predatory Lending and HOEPA](#), August 2000
- [Comments regarding the Advance Notice of Proposed Rulemaking re: whether and how OTS should amend its regulations under the Alternative Mortgage Transactions Parity Act](#), July 2000
- [Comments: NCLC's Proposal for Predatory Mortgage Reform](#), February 2000
- [Comments to Senate Special Committee on Aging on Predatory Lending](#), April 1998

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## [General Predatory Lending Letters](#)

- [Coalition letter](#) urging House members to oppose CFPB rollbacks of fair lending oversight, June 4, 2019
- [Group letter](#) to the Federal Housing Finance Agency (FHFA) supporting recent language access progress made at the agency, April 18, 2019

- [H.R. 2570, Mortgage Fairness Act of 2017. Opposition Letter, July 23, 2018](#)
  - [Group letter to CFPB re Public disclosure of new HMDA data points](#), Nov. 23, 2016
  - [Letter to CFPB regarding mortgage disclosures through \*Know Before You Owe\*](#), Feb. 11, 2016
  - [Memo to HUD urging them to reverse course on changes to the form/note mortgage, which were made without notice or comment opportunities](#), April 9, 2015
  - [S. 3085 \(Boxer/Menendez\), The Responsible Homeowner Refinancing Act of 2012. Opposition to Corker Safe Harbor Amendment, Nov. 13, 2012](#)
  - [Letter by Coalition Opposing H.R. 3915, November 2007](#)
  - [Group Letter to Federal Reserve Board on HOEPA Authority, August 2007](#)
  - [Letter supporting the Homeownership Protection and Enhancement Act \(“HOPE Act”\) of 2007, July 2007](#)
  - [Group Letter Supporting Borrower’s Protection Act of 2007, June 25, 2007](#)
  - [Coalition Letter to House Financial Services Committee on Predatory Mortgage Lending, May 21, 2007 PDF 26KB](#)
  - [Letter to Banking Regulators regarding the Guidance on Nontraditional Mortgage Product Risk, February 2007](#)
  - [Letter to Senate Regarding Inclusion of Hybrid ARMs in Interagency Guidance on Non-Traditional Mortgages, February 2007](#)
  - [Letter in Support the “Preservation of Federalism in Banking Act”, July 2005](#)
  - [Letter to Chairman Oxley and Ranking Member Frank regarding predatory lending in the subprime mortgage market, February 2005](#)
  - [Letter to Chairman Oxley of House Financial Services Committee: Foreclosures Are Escalating, November 2003](#)
  - [Group letter to HUD General Counsel Richard Hauser regarding HUD’s Response to Yield Spread Litigation, July 2001](#)
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## [General Predatory Lending Model Laws & Statutes](#)

- [Model State Statute: Home Loan Protection Act - A, November 2001](#)
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## [General Predatory Lending Responses & Statements](#)

- [Failed Regulatory Policy, Not Low Income Housing, Cause of Mortgage Crisis, October 13, 2008](#)
- [Response to MBA Policy Paper on Suitability, February 2007](#)
- [Point by Point Response To Ney-Kanjorski Predatory Lending Bill, April 2005](#)

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# General Predatory Lending Testimony

- [Press Release and Testimony of Margot Saunders on Mortgage Reform and Anti-Predatory Lending Act House Financial Services Committee \(HR 1728\), April 23, 2009](#)
- [Testimony of Margot Saunders on Mortgage Lending Reform: A Comprehensive Review of the Current Mortgage System, March 11, 2009](#)
- [Failed Regulatory Policy, Not Low Income Housing, Cause of Mortgage Crisis, October 13, 2008](#)
- [Testimony before House Financial Services Committee regarding on Accelerating Loan Modifications, Improving Foreclosure Prevention, and Enhancing Enforcement, December 2007](#)
- [Testimony by National Consumer Law Center and Consumer Federation of America Regarding Non-Traditional Mortgage Products, September 2006](#)
- [Testimony of J. Robert Hunter before the House Committee on Financial Services Subcommittee regarding Title Insurance Cost and Competition, April 2006](#)
- [Testimony of Margot Saunders to the Subcommittee on Housing and Community Opportunity and Subcommittee on Financial Institutions and Consumer Credit on Protecting Homeowners: Preventing Abusive Lending While Preserving Access to Credit, November 2003](#)
- [Testimony to the Senate Committee on Banking, Housing and Urban Affairs re: the Increase in Predatory Lending and Appropriate Remedial Actions, July 2001](#)
- [Testimony by Elizabeth Renuart re: Amendments to 209 CMR §§ 32.32, 42, 40 High Cost Mortgage Loan Provisions in Massachusetts, October 2000](#)
- [Testimony of Margot Saunders re: The Increase in Predatory Lending and Appropriate Remedial Actions, May 2000](#)
- [Testimony of Margot Saunders on Banking and Financial Services regarding the proposed The “Financial Institution Regulatory Streamlining Act of 1998”, July 1998](#)
- [Testimony of Margot Saunders re: S. 1405 The “Financial Regulatory Relief and Economic Efficiency Act of 1997”, March 1998](#)
- [Testimony of Margot Saunders re: H.R. 607 HOMEOWNERS INSURANCE PROTECTION ACT, March 1997](#)
- [Testimony re: H.R. 1362 FINANCIAL INSTITUTIONS REGULATORY RELIEF ACT OF 1995, May 1995](#)
- [Testimony of Margot Saunders and Kathleen Keest re: S. 650 ECONOMIC GROWTH AND REGULATORY PAPERWORK REDUCTION ACT, May 1995](#)

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# General Predatory Lending Analysis

- [Analysis of H.R. 3915’s Preemption Rule, March 14, 2008](#)
- [Analysis of H.R. 3915—as passed out of the House Financial Services Committee, November 2007](#)