

## Red Flags & Warning Signs



- You are offered a home loan with a higher interest rate than the one you applied for (or were told about), even though you qualify for a lower rate.
- You find you are being charged for unnecessary or non-existent loan products and services.
- You are treated differently in person than you were on the phone.
- You are offered and steered into a high-interest and cost loan.
- You are asked to lie about your income, monthly expenses, or available cash for your down payment.
- You are setup for a home loan that you know you cannot afford.
- The lender states they are willing to handle all required aspects of your home loan: Appraisal, Home Inspection, Title, and Escrow Closing.



## Need Help?



Northwest Fair Housing Alliance can help you understand your fair housing rights.

For more information or to file a housing discrimination complaint, contact Northwest Fair Housing Alliance.



[www.LendingAwareness.org](http://www.LendingAwareness.org)

509-325-2665 or 1-800-200-FAIR (3247)

Find us on:



## Important Resources

### HUD Approved Housing Counselors:

- **SNAP Housing Counselors:**  
(509) 456-7106  
[www.snapwa.org](http://www.snapwa.org)
- **Apprisen:**  
(800) 355-2227  
[www.apprisen.com](http://www.apprisen.com)
- **Money Management International:**  
(866) 232-9080  
[www.moneymanagement.org](http://www.moneymanagement.org)

**Additional Housing Counselor Agencies in Washington at:** <http://1.usa.gov/1wqzCvX>

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# Fair Lending Do's & Don'ts For Homebuyers

## How to Avoid Scams & Schemes



## Northwest Fair Housing Alliance

(509) 325-2665  
| (800) 200-FAIR (3247)  
[www.nwfairhouse.org](http://www.nwfairhouse.org)

## DOs and DON'Ts



### DO:

- Identify what you are looking for in a home.
- Examine your credit standing and scores.
- Obtain a mortgage pre-approval or commitment. That will show you what price-range you can afford and what funds could be required at home loan closing.
- Get a home inspector to inspect the house, and make it contingent on buying the house.
- Be prepared to negotiate with the home seller, and make sure they satisfy all home buying commitments prior to home loan closing.

### DON'T:

- Lie about your income or buy a home you cannot afford.
- Let a lender pressure you into agreeing to accept a home loan with balloon features, interest-only payments, or other types of exotic loan features.
- Sign any loan documents you don't understand or that have blanks on them.
- Let the lender do the Appraisal, Home Inspection, Title, and plan the Home Loan Closing (that could be a Sting Operation).

## Protected Classes



**A protected class refers to a group of people whom the law protects against discrimination.**

### Federal and Washington State Protected Classes

- |                   |   |
|-------------------|---|
| • Race            | • Marital Status                        |
| • Color           | • Disability                            |
| • National Origin | • Creed                                 |
| • Religion        | • Sexual Orientation                    |
| • Sex             | • Veteran/Military Status               |
| • Familial Status | • Income Derived from Public Assistance |
| • Age             |   |



## Signs of Possible Discrimination



- Your real estate agent shows you only home properties in neighborhoods that match your protected class (sexual orientation, religion, race, etc).
- The lender seems to focus and market to specific races or ethnicities (Russian, Asian Pacific Islander, etc.).
- Your realtor shows you only homes within neighborhoods that have families with or without children.
- A home appraisal improperly takes into consideration your protected class status and, as a result, the appraised value of the home is over or under-valued.
- You feel pressured to sign home loan documents.
- You are on or going on maternity leave from work, after your home loan closing, and the lender tells you reapply for your home loan after you return from your maternity leave.
- You hear the lender make negative comments about race, national origin, sex, or other personal characteristics.
- You have a disability and the lender wants additional documentation of your disability income continuance and nature of your disability.