

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 the Northwest Fair Housing Alliance.



www.nwfairhouse/lending-awareness

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



Important Resources

HUD Approved Housing Counselors:

PARKVIEW SERVICES
509-861-3330
www.parkviewservices.org

SNAP
509-456-7106
www.snapwa.org

COMMUNITY FRAMEWORKS
509-484-6733
www.communityframeworks.org

CATHOLIC CHARITIES HOUSING SERVICES
509-853-2800 www.catholiccharitiescw.org

ADDITIONAL HOUSING COUNSELOR AGENCIES IN WASHINGTON: <https://tinurl.com/Help-in-WA>

The work that provided the basis for this publication was supported in part by funding under a grant with the U.S. Department of Housing and Urban Development. NWFHA is solely responsible for the accuracy of the statements and interpretations contained in this publication.



Fair Lending Do's & Don'ts For Homebuyers

How to Avoid Scams & Schemes



Buying a home can be a very exciting time.

Inside are tips to help.



Northwest Fair Housing Alliance



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 high-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 illegal discrimination.

Federal and Washington State Protected Classes

- Race
- Color
- National Origin
- Religion
- Sex
- Familial Status
- Age
- Marital Status
- Disability
- Creed
- Sexual Orientation
- Veterans/Military Status
- Income derived from Public Assistance



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.