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### **MORTGAGE: BIAS ACCORD AS HARBINGER**

On April 21, 2010, the New York Times reported that the NAACP's recent agreement to drop a racial discrimination lawsuit against Wells Fargo & Co., in exchange for the opportunity to review the company's mortgage lending practices may be a harbinger for similar agreements throughout the lending industry. The article notes that the NAACP sued Wells Fargo along with 15 other lenders between 2007 and 2009 for offering high-cost subprime loans to black borrowers, even while similarly situated white borrowers got better deals. Wells Fargo was the first major bank to agree to abide by the NAACP's fairness in lending guidelines.

Brian Kabateck, who represents the NAACP in the lawsuits, said that while fewer blacks are being steered to subprime loans as a result of the economy, he is now tracking loan modifications. "Blacks are having a harder time keeping their homes," he said, "and it's not just related to their ability to pay or not pay."