



## Media Advisory

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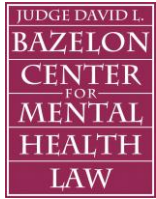
## CIVIL RIGHTS STATEMENT ON THE ADMINISTRATION'S REPORT ON REFORMING THE U.S. HOUSING FINANCE MARKET

WASHINGTON, Feb. 11—*The following is a joint statement from civil rights organizations on the Obama administration's report on reforming the nation's housing finance market. Organizations issuing the statement include—National Council of La Raza, National Fair Housing Alliance, Center for Responsible Lending, The Opportunity Agenda, NAACP, National Coalition for Asian Pacific American Community Development, National Urban League, National People's Action, the Kirwan Institute, Bazelon Center for Mental Health Law, PolicyLink and Poverty & Race Research Action Council.*

“In its report, the Administration pledges to ensure that all communities and families have access to capital needed for sustainable homeownership and a range of rental options. Of the three options that the Administration proposes, the first two, which call for complete and near-complete privatization, will entirely fail to meet this goal and will instead marginalize communities of color. Congress should reject these two options. The third option, offering catastrophic reinsurance, inspires more confidence than the first two, but lacks important details as to how it would serve all Americans well. As the debate moves ahead and final decisions are made, our civil rights organizations will fight to secure sound lending policies for all Americans, ensuring that the families who have long been poorly served by the market will finally have a fair shot.

“For decades, America's housing finance system has operated on a 'dual track' in which factors other than a borrower's creditworthiness affect the terms of his or her home loan. People of color and other underserved borrowers are routinely steered into substandard mortgages, even when their credit warrants a prime loan. A private secondary market helped drive this process. Full privatization would leave most Americans at the mercy of Wall Street and we know from experience the devastating results that would bring.

“The secondary mortgage market must instead provide safe, decent, and affordable housing for all, eliminate housing discrimination, and promote residential integration. Fair lending rules that protect against discrimination and deceptive practices should be at the core of reshaping the housing finance market. True reform must eliminate the dual-track structure that traps qualified families in a fringe credit



market and must build a more secure and accountable secondary market, preventing future crises like the one that helped bring our economy to its knees.”

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