



For Immediate Release
November 5, 2003

Contact: Ellia Thompson
202-715-1518

Americans Overwhelmingly Support A Uniform National Lending Standard For All Mortgage Lenders

Washington, D.C. - More than 80% of Americans believe Congress should pass a strong national law that gets rid of unscrupulous lending practices and creates uniform lending standards for all types of mortgage lenders, according to a survey released today by the Coalition for Fair and Affordable Lending (CFAL).

The findings of the bipartisan survey were presented today by CFAL Chairman Steve Nadon at the House of Representatives' Financial Services, Housing and Financial Institutions joint subcommittee hearing on "Protecting Homeowners: Preventing Abusive Lending While Preserving Access to Credit."

Nadon, who also serves as chief operating officer of Option One Mortgage Corp., told lawmakers, "This research confirms our belief that America views the housing market as a driving force in our economy. We are grateful that Congress is being responsive to public opinion and providing the necessary leadership to ensure the continued vibrancy of the entire housing sector."

Today's hearing presented a welcome opportunity for representatives of the mortgage lending industry, consumer advocates, representatives of the secondary market and members of academia to educate lawmakers about the need to offer consumer protection while preserving available access to credit. The "solutions-focused" joint hearing addressed perceived flaws in the Home Ownership and Equity Protection Act (HOEPA) of 1994, the main federal law regulating higher-risk mortgage lending.

"The existing statutory scheme, intended or not, has the effect of restricting mortgage capital for many of those who need, want, and qualify for nonprime loans," Nadon said. "When 70% of Americans think that having different laws in all parts of the country creates confusion for borrowers and does not effectively get rid of predatory, or fraudulent lending, then the time has come for Congress to act."

The research, conducted over the November 1-2 weekend by leading bipartisan, survey-based marketing research company Ipsos Group, presented the following findings:

- More than 80% of Americans believe that when deciding on a new national law to regulate all types of mortgage lending, Congress needs to strike a balance between strong lending requirements and making sure that all consumers - even those with lower incomes and less-than-perfect credit - retain the ability to get a mortgage.
- 95% of American families believe that Congress should update inadequate regulations on mortgage loans so that all consumers are provided adequate protections from unscrupulous lenders.

- 6 out of 10 Americans believe that federal regulation is needed for all types of mortgage lending to take the place of the current patchwork of inconsistent and ineffective state and local laws.
- 8 out of 10 people believe that the housing market is a strong indicator of economic security, job growth and consumer confidence.
- 71% of Americans consider the housing market as a driving force for our country's economic security, and believe Congress should take steps to ensure that its growth continues and is not disrupted.
- 65% of Americans want Congress to work to ensure that all consumers - even those with low incomes, debt, or poor credit histories - have access to credit, even if they pay a somewhat higher interest rates than people with good credit.
- More than half of Americans feel that restricting access to mortgage loans to some consumers will have a negative impact on the nation's economy.

This poll of 1000 Americans contains a +/- margin of error of 3.1%.

###