

## **Commissioner Okianer Christian Dark**

During the hearings, we heard from several witnesses about the connection between the foreclosure crisis and the lack of fair housing enforcement. How is this possible?

It is well documented that the proliferation of discriminatory lending practices in communities of color over the years, created an opportunity for financial institutions and others to target vulnerable minority communities as a means of maximizing short term profits. As one witness stated, “the subprime market discovered African American and Latino communities and targeted them for unfair and deceptive loan products and lending practices.”

For years, Civil Rights Organizations have been warning about predatory lending and subprime mortgages that target communities of color, communities that often do not have access to traditional lending institutions. African-American and Latino borrowers were steered disproportionately to predatory loans that contained abusive and deceptive high interest rates and terms that were deceptive and unfair. As a consequence, “more than half of home loans to African-American and more than 40 percent to Latinos . . . were high cost, and often predatory products. Blacks and Latinos are experiencing the greatest loss of wealth from the current housing market” crisis.

These predatory practices could only have flourished in a climate where oversight was loose and overriding incentives – i.e., greed – existed for lenders to issue predatory loans in the first place. Now, these practices and foul mortgage products have been carried into the general population and everyone is affected. Effective enforcement could have significantly curbed these abusive practices as well as send a clear deterrence signal to others.

As the nation is finding out, the persistence of housing discrimination and segregation affects all communities. When housing is undermined in a community (like it is in so many communities with the foreclosure crisis) then the community is destabilized and everything else in the community is adversely affected as well because of the interconnection between housing and education, access to credit, employment opportunities, environmental justice, transportation, etc..

This is why the commission is recommending an independent agency that can make enforcement of fair housing and education a priority. We need an independent agency that will work to eliminate segregation and the kind of lending practices that have caused communities of color to lose billions in equity in the foreclosure crisis. To ensure that this never happens again, we must evict discrimination from our communities. All of our communities. We want a nation that is not only committed but in fact has integrated neighborhoods, available affordable housing and a fair and appropriate well-regulated lending environment in which people can borrow without sorrow.

**BIO: Commissioner Okianer Christian Dark** is the Associate Dean for Academic Affairs and Professor of Law at Howard University School of Law. She has received a number of awards for her contributions to fair housing enforcement, including the National Fair Housing Alliance's Awards for Excellence and the Hope for People Award. In addition, she has spoken publicly about her personal experience as a victim of housing discrimination.