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Rep. Luján Supports Mortgage Reform that Cracks Down on Predatory Practices, Bill Passes House

[WATCH REP. LUJÁN SPEAK ABOUT THE HOUSING CRISIS AND MORTGAGE REFORM ON THE HOUSE FLOOR](#)

Washington, DC – Today, Rep. Ben Ray Luján supported the Mortgage Reform and Anti-Predatory Lending Act of 2009 that passed the House of Representatives by a vote of 300 to 114. The legislation will end the type of unfair and irresponsible mortgage and lending practices that played a major role in the current housing crisis while also preventing borrowers from purposefully misstating their incomes to qualify for a loan.

“New Mexico’s families should not be at risk of predatory or irresponsible lending practices,” said Rep. Luján. “Responsible families deserve protection from unsavory practices, and this legislation will protect homeowners and renters from unfair and predatory lending and mortgage practices.”

The Mortgage Reform and Anti-Predatory Lending Act of 2009 aims to crack down on irresponsible practices by:

- Making it illegal to grant a loan to someone who can’t afford to pay it back

- Requiring all loans provide a net tangible benefit to the consumer
- Encourage the market to move back toward making fixed-rate, fully documented loans
- For the first time ever, putting responsibility on mortgage originators, banks and Wall Street firms that buy loans and turn them into securities
- Protecting tenants who rent homes that go into foreclosure
- Ensuring lenders make full disclosure of the terms of the loan at the time of signing