

PREDATORY LENDING CONSUMER PROTECTION TIPS:

1. Never sign a contract without knowing and understanding all terms of the loan. Originators should be willing to explain all loan terms and conditions.
2. Never allow yourself to be pressured into a loan. Reputable mortgage originators strive to make consumers aware of and comfortable with their loan options.
3. Beware of door-to-door and telephone solicitations.
4. Never sign a blank form in a loan package and be sure to get copies of all documents bearing your signature.
5. Request an accounting of all fees associated with the transaction. Question any fees you do not understand.
6. Shop around for a loan originator that you are comfortable with. CAMB offers free and confidential referral services so consumers can choose a member broker in their area. Consumers can take advantage of this online at www.cambweb.org or by phone at 800.253.2262.
7. Make sure that you can afford the proposed monthly payments. Do not agree to payments that you cannot comfortably make.
8. You have three days to cancel a refinance transaction for any reason if you are unhappy with the loan. This is called the three-day "Right-of-Rescission."
9. Make sure the loan officer is licensed to originate mortgage loans. Also question potential brokers regarding their participation in continuing education courses and certifications, making sure your originator is up-to-date on all loan policies and applicable laws.
10. Ask if the broker belongs to the California Association of Mortgage Brokers. ***CAMB members adhere to the Association's Code of Ethics and Standards of Professional Practice, which prescribe the highest level of ethical and professional guidelines.***

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