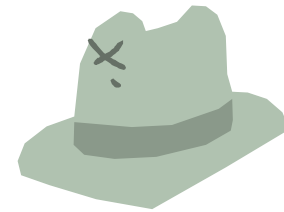


Consumer Privacy: Foreclosures



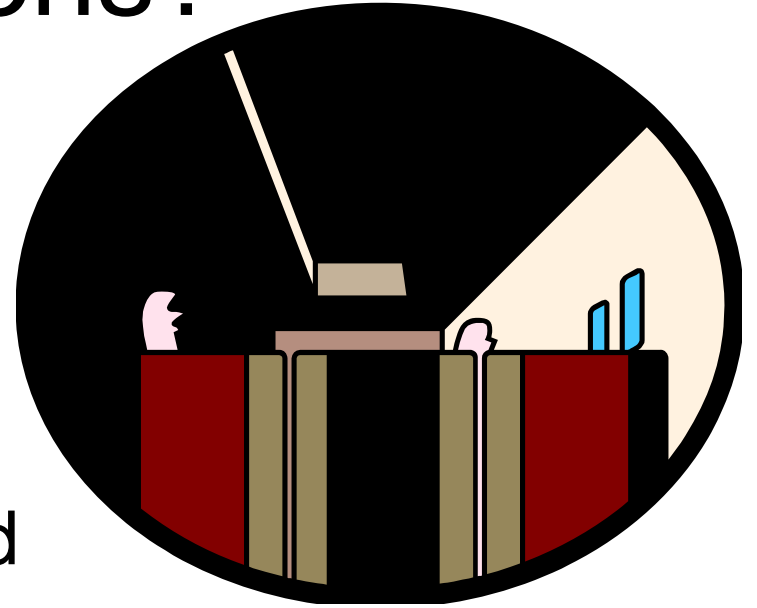
Ariel Speser

Staff Attorney, Northwest Justice
Project's Foreclosure Prevention Unit

But,

What happens?

- Pressure to Sell
 - Shortsale
 - If equity, valued depreciation
 - Chilling effect on sale prices
 - Retention options not explored
- Scammers
 - Homeowners facing foreclosure are particularly susceptible to scammers.
 - Legitimizes scammers because they have accurate data, including: loan number, lender's name, unpaid principal balance, months in default, etc.



Negative consequences?

- Homeowners unable to sell at fair market value and therefore do not maximize equity.
- Homeowners are not pursuing retention options,

Is anyone looking into this?

- FTC's *Data Brokers: A Call for Transparency and Accountability* (May 2014)
 - Check it out:
 - <http://www.ftc.gov/system/files/documents/reports/data-brokers-call-transparency-accountability-report-federal-trade-commission-may-2014/140527databrokerreport.pdf>

What are the current protections?

- The Gramm Leach Bliley Act requires financial institutions – companies that offer consumers financial products or services like loans, financial or investment advice, or insurance – to explain their information sharing practices to their customers and to safeguard sensitive data and explain customers' right to "opt out" if they don't want their information shared with certain third parties.

Next steps?

- Should there be more oversight?
- What type of regulation is appropriate?
- Are the mortgage servicers involved?
- Are the credit reporting agencies involved?
- Is the Fair Credit Reporting Act helpful?
- What is the true source of the data leak?
- Should we litigate more cases

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Thankyou

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