

Chapter 13 Income and Social Class: **Predatory Lending**

Go To: <http://www.hud.gov/offices/hsg/sfh/buying/loanfraud.cfm>

1 In communities across America, people are losing their homes and their investments because of predatory lenders, appraisers, mortgage brokers and home improvement contractors. List 9 components of predatory lending.

2 List 7 tactics used by predatory lenders.



The world's local bank

3 Discuss the reasons that low-income consumers “fall for” predatory loans even though borrowing money at exorbitant interest rates isn't logical.

4 How does predatory lending hurt individuals as well as communities?



Bank of America

