

*Mayor Tomás P. Regalado*

*Chairman Marc Sarnoff*

*Vice-Chairman Wifredo (Willy) Gort*

*Commissioner Frank Carollo*

*Commissioner Francis Suarez*

*Commissioner Keon Hardemon*

*City Manager Johnny Martinez, PE*



2013

PRESS RELEASE

PRESS RELEASE

PRESS RELEASE

PRESS RELEASE

*Angel Zayón*  
*Chief of Communications*

[communications@miamigov.com](mailto:communications@miamigov.com)

## **City of Miami Sues Major Banks for Discriminatory Lending Practices**

**(Miami, FL December 19, 2013)** - The City of Miami has filed suit against Bank of America, CitiGroup, and Wells Fargo alleging that these banks violated the Federal Fair Housing Act by engaging in a pattern and practice of issuing predatory mortgage loans to minority residents, resulting in a rash of foreclosures. According to the suit, the banks have unlawfully imposed different terms or conditions on loans issued to minority residents on a continuous basis since at least 2004. Commissioner Francis Suarez sponsored the City resolution authorizing the litigation.

South Florida has been devastated by the foreclosure crisis, and the City of Miami seeks to hold the banks that issued these loans accountable for the substantial damages the City has incurred from their unlawful and discriminatory lending practices. These damages include a reduction in property taxes collected by the City, as well as the increased cost of City services required to address a multitude of problems at the foreclosed residences. While these banks were generating substantial revenue from the issuance of predatory mortgages, the City of Miami was losing significant revenue and incurring costs that have not been reimbursed.

Additionally, the City seeks to prevent these banks from continuing to issue predatory loans to minorities in the future, thereby seeking to reduce the number of foreclosures that will blight the streets of Miami. The City of Los Angeles filed similar lawsuits in federal court two weeks ago against the same banks, and the City of Miami joins the growing list of municipalities that will hold mortgage lenders accountable for the devastating consequences of their continuing pattern and practice of issuing predatory loans to minority residents.

Copies of the lawsuits:

[Complaint for Violations of the Federal Fair Housing Act Against Bank of America](#)  
[Complaint for Violations of the Federal Fair Housing Act Against CitiGroup](#)  
[Complaint for Violations of the Federal Fair Housing Act Against Wells Fargo](#)

Angel Zayon

Approved

[azayon@miamigov.com](mailto:azayon@miamigov.com)

