



Housing Opportunities Made Equal of Virginia, Inc.

626 E. Broad St., Suite 400, Richmond, VA 23219

804-354-0641, VA Relay 711, HOMEofVA.org

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Media Contact: Mike Burnette, Mike@HOMEofVA.org, Direct 804-237-7549

Housing Opportunities Made Equal of Virginia (HOME of VA) and Other Fair Housing Groups Reach Historic Settlement with Fannie Mae Focused on Rebuilding Communities of Color

The settlement will directly and immediately benefit the communities of color throughout the Richmond, Virginia region and nationwide hit hardest by the foreclosure crisis and its aftermath.

Richmond, VA — Today, Housing Opportunities Made Equal of Virginia (HOME of VA) along with the National Fair Housing Alliance (NFHA) and 19 other local fair housing organizations throughout the country, reached a landmark \$53 million [agreement](#) with Fannie Mae (formally known as the Federal National Mortgage Association) to resolve a case arising from allegations that Fannie Mae treated foreclosed homes in communities of color unfavorably. The settlement will help rebuild and strengthen communities of color in 39 metropolitan areas including the Richmond, Virginia region. In the case, HOME of VA and the other [plaintiffs alleged](#) that Fannie Mae maintained and marketed its foreclosed homes in predominantly White neighborhoods while allowing similar homes in communities of color to fall into disrepair and this differential treatment exacerbated the damage caused by the 2008 mortgage crisis and impeded recovery from the crisis in neighborhoods of color. The case was the first time a federal court confirmed the nation’s fair housing laws cover the maintenance and marketing of Real Estate Owned (REO) properties.

“This settlement not only recognizes the wrongs made to communities of color in the Richmond region that were particularly hard hit during the foreclosure crisis,” said Monica L. Jefferson, Interim President & CEO of HOME of VA, “it also offers significant financial resources to respond to community needs.

The plaintiffs’ 2016 allegations against Fannie Mae arose after a comprehensive, four-year investigation of more than 2,300 Fannie Mae-owned foreclosed properties in 39 metropolitan areas in the country. Of those properties, 40 were in the Richmond, Virginia region. The plaintiffs collected more than 49,000 photographs revealing poorly maintained properties in Black and Latino communities, particularly as compared to properties in predominantly White neighborhoods.

Today’s agreement has far-reaching implications. HOME of VA and the other plaintiffs will invest the vast majority of the settlement monies directly back into the communities they allege were harmed by Fannie Mae’s conduct. Specifically, plaintiff organizations will use over \$35 million of the settlement to

promote home ownership, neighborhood stabilization, access to credit, property rehabilitation, and residential development in the 39 metropolitan areas at issue in the case, including Richmond, Virginia region. The plaintiffs will manage and disburse the settlement funds, providing much-needed grants, including for down-payment assistance for first-generation homebuyers and renovations for homes that languished in foreclosure. The grants will also include innovative programs and partnerships to promote fair housing.

Fannie Mae has implemented practices that will help avoid similar harmful treatment of communities of color in the future, including increasing its oversight of maintenance of properties it owns, prioritizing owner-occupants rather than investors as purchasers of REOs, and ensuring that it complies with fair housing laws, including by providing fair housing training to its employees and vendors.

HOME of VA and the other fair housing groups are represented by noted civil rights law firms Relman Colfax PLLC and Dane Law LLC. The organizations were also represented by Morgan Williams, NFHA's General Counsel, and Julia Howard-Gibbon, Supervising Attorney of [Fair Housing Advocates of Northern California](#).

U.S. Department of Housing and Urban Development grants supported the investigation into potential disparities in the maintenance and marketing of REO properties. The author and publisher of this press release are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Federal Government.

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About Housing Opportunities Made Equal of Virginia (HOME of VA)

Housing Opportunities Made Equal of Virginia, Inc. (HOME of VA), founded in 1971, is a statewide fair housing and HUD-approved housing counseling 501(c)(3) non-profit. HOME fulfills its mission to ensure equal access to housing for all people by addressing the still glaring individual instances of housing discrimination. Additionally, HOME works to tackle systemically divisive housing practices on a larger scale through fair housing enforcement and research, advocacy, and statewide policy work. HOME also takes direct action to aid first-time homebuyers, families with homes under the threat of foreclosure, families facing eviction, and helps families with housing choice vouchers move to neighborhoods of opportunity. At a time when unequal access to housing and credit contributes most to the United States' growing wealth gap, HOME's multifaceted approach is a powerful catalyst toward furthering fair housing. You can learn more about HOME and all of its services at www.HOMEofVA.org.