

PRESS ADVISORY  
Immediate Release

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## **NACA Campaigns against Ford Motor's Predatory Lending**

Hearing: Barboza Et. Al. vs. Ford Consumer Finance Company  
Place: U.S. District Court, 12<sup>th</sup> Floor Court Room 1 - Post Office Square  
Date: April 9, 1997  
Time: 2 p.m.

The Neighborhood Assistance Corporation of America (NACA), an outgrowth of Boston based UNAC, is targeting Ford Motor Company's Predatory lending practices. Ford is the largest home equity lender in the country with practices including high rates, outrageous fees, bait and switches, forced refinances, and other unconscionable terms that put at risk the homes of tens of thousands of working people.

Victims of Ford's fraudulent lending schemes will attend a hearing by Judge George A. O'Toole Jr. on whether the plaintiffs can withdraw from a proposed settlement. The plaintiff attorneys for the Ford borrowers have filed a motion to withdraw the proposed settlement after NACA and Ford victims exposed this agreement which only benefits Ford. "Ford has fined tuned the art of Loan Sharking into a multi-billion dollar racket that has devastated the lives of tens of thousands of people throughout this country" states Bruce Marks NACA Executive Director. "Ford uses its reputation as one of the country's most "respected" companies with a motto "Quality is Job #1" to get in the door of home owners and then it is only a matter of time for financial devastation or the loss of one's home to occur."

### **Background on Settlement:**

In 1994 Ford was sued for bribing Mortgage Brokers with kickbacks to steer their clients to Ford at very high interest rates and outrageous fees. The Court granted the attorney's request to represent all borrowers whose broker received the kickback from Ford ("the Class"). There are over 80,000 people in the class and hundreds of thousands of people victimized by Ford.

Under the proposed settlement, Class members would lose their rights to sue Ford in return for as little as \$50 or \$250 towards their next Ford loan with very few people receiving more than \$50. The settlement would pay the attorneys \$1,000,000. Victims of other lenders who used similar Loan Shark lending practices have received thousands of dollars in compensation.

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