

# LENDERS UPDATE™

## ALT & ASSOCIATES NEWSLETTER

A COMPLIMENTARY SERVICE TO THE MORTGAGE LENDING INDUSTRY

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## **HUD TAKES ACTION AGAINST FACEBOOK**

The U.S. Department of Housing and Urban Development has filed a formal complaint against Facebook for violating the Fair Housing Act by giving home sellers and other providers, a platform to engage in housing discrimination. Facebook, rather amazingly, allowed advertisers to control which users receive housing-related ads based upon the recipient's race, color, religion, sex, familial status, national origin, disability, and/or zip code. Facebook then allowed advertisers to choose preferences for alternatives which allowed the advertiser to target advertising to particular groups.

***"The Fair Housing Act prohibits housing discrimination including those who might limit or deny housing options with a click of a mouse," said HUD.  
"When Facebook uses the vast amount of personal data it collects to help***

***advertisers to discriminate, it's the same as slamming the door in someone's face."***

**As HUD's press release states, HUD alleges Facebook's violated the Fair Housing Act by enabling advertisers to, among other things:**

- ✚ display housing ads either only to men or to women;**
- ✚ not show ads to Facebook users interested in an "assistance dog," "mobility scooter," "accessibility" or "deaf culture";**
- ✚ not show ads to users whom Facebook categorized as interested in "child care" or "parenting," or show ads only to users with children above a specified age;**
- ✚ not display/or display ads to users whom Facebook categorizes as interested in a particular place of worship, religion or tenet, such as the "Christian Church," "Sikhism," "Hinduism," or the "Bible";**
- ✚ not show ads to users whom Facebook categorized as interested in "Latin America", "Canada", "Southeast Asia", "China", "Honduras", or "Somalia"; or**
- ✚ draw a red line around zip codes and then not display ads to Facebook users who live in specific zip codes.**

**Facebook has reacted by agreeing that *"there is no place for discrimination"*. The platform has stated its intent to work with HUD to resolve these issues.**

**To begin, Facebook will remove 5,000 ad target alternatives to *"help prevent misuse."* In addition, users must follow the company's non-discrimination policy in order to advertise on Facebook.**

## ABOUT ALT & ASSOCIATES

Alt & Associates publishes the *Lenders Update* via e-mail as a complimentary service to our friends and clients in the financial industry throughout California and the United States. Over the past three decades, members of the firm have represented Institutional Lenders and Mortgage Bankers and Brokers in all aspects of their business operations. Legal counsel provided to the mortgage industry includes, but is not limited to:

- ✚ Regulatory assistance, both state and federal
- ✚ Compliance work
- ✚ Operational advice
- ✚ Transactional work Agreements such as Loan Officer
- ✚ Compensation Agreements etc.
- ✚ Various forms of employee, officer, and/or manager contracts
- ✚ Litigation representation

You may direct any questions or comments directly to:

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