

LENDERS UPDATE™

ALT & ASSOCIATES NEWSLETTER

A COMPLIMENTARY SERVICE TO THE MORTGAGE LENDING INDUSTRY

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CFPB DROPS ZILLOW **INVESTIGATION**

In another significant retrenchment, the CFPB announced that it is dropping its investigation of Zillow. This is generally consistent with other actions taken by the Bureau during this administration. The investigation has been going on since 2015.

The CFPB has been looking into potential kickbacks (payments for referrals) in Zillow's co-marketing program with realtors. As we know, the program allows for the purchase, by realtors, of advertising on property listings through the company's Premier Agent program. Is this a co-marketing program? If it is, and it is done properly, it should be compliant.

However, if the marketing on individual property listing pages is construed as a referral to the individual realtors, then, under RESPA, it would be illegal.

As there is no written guidance from the CFPB, we do not know what the reasoning for this decision may be. In any case, it is a clear limiting of the Bureau's reach under RESPA.

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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:

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You may direct any questions or comments directly to:

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