

BANKRUPTCY BLOG

Mortgage Lenders and Landlords: Your Compliance with Consumer Statutes is on the Consumer Financial Protection Bureau's Agenda

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In a July 1, 2021, statement, the Consumer Financial Protection Bureau (the "CFPB") warned landlords and consumer reporting agencies to report rental and eviction information accurately. Among other information in the CFPB's statement, the CFPB identified plans to watch closely whether mortgage companies and landlords are properly reporting: (i) amounts paid on behalf of a tenant through a government grant or relief program, as well as (ii) fees or penalties prohibited by the CARES Act section 4024(b) or other laws.

The CFPB also is closely monitoring proper reporting on consumer credit reports, including ensuring that landlords are properly reporting accurate and complete information, and that landlords and mortgage companies have reasonable procedures in place to insure that credit reports do not report multiple instances of the same eviction.

Notably, most consumer protection statutes permit damaged consumers to recover attorneys' fees, actual damages and a statutory penalty. Some statutory penalties can be cumulative. A few consumer statutes also allow damaged consumers to recover punitive damages.

If you would like assistance ensuring your compliance with consumer statutes, please contact Larry A. Pittman, II at 816.210.9680 or Sharon L. Stolte at 816.627.5543.