

RESOLUTION

Supporting pending legislation that would extend the provisions of the Ohio Consumer Sales Practices Act to the mortgage brokerage business in the State of Ohio.

WHEREAS, large numbers of vacant abandoned properties have become a blighting influence in both urban and suburban Cuyahoga County neighborhoods.

WHEREAS, unscrupulous sales practices by certain individuals and companies engaged in the mortgage brokering business have increased the vacant property problem by saddling senior citizens and other homeowners with mortgages they cannot possibly afford and driving them into foreclosure.

WHEREAS, existing regulation of the mortgage broker business by the Ohio Department of Commerce has not in any way stemmed the tide of improvident and inappropriate lending by mortgage brokers, often on behalf of unregulated out-of-state lenders.

WHEREAS, extending the provisions of the Ohio Consumer Sales Practices Act to the mortgage brokerage business would empower the Ohio Attorney General's Consumer Protection Division to take appropriate legal action to curb abuses in this industry.

WHEREAS, Ohio is one of only two states whose consumer protection statute does not cover transactions between mortgage brokers and borrowers.

WHEREAS, the problem of improper mortgage lending must be addressed through legislative action as part of a comprehensive and coordinated statewide approach to the issue of vacant properties.

NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners of Cuyahoga County, Ohio, hereby supports pending state legislation, which would extend the provisions of the Ohio Consumer Sales Practices Act to the mortgage brokerage business in the State of Ohio.

BE IT FURTHER RESOLVED that the Clerk of the Board be, and she is, hereby instructed to transmit a copy of this resolution to Paul Oyaski, Director, Department of Development and one copy to Paul Herdeg, Manager, Housing Division.

On Motion of Commissioner Hagan, seconded by Commissioner Jones, the foregoing resolution was duly adopted.

Ayes: Hagan, Jones, Dimora.

Nays: None.

Resolution Adopted.

Penelope M. Hughes,
Clerk of the Board