

# Bank of America to Pay Record Settlement over Countrywide Abuses

Article By:

John Dunbar

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More than 200,000 victims will receive compensation

Bank of America will pay \$335 million to settle allegations of discrimination at Countrywide Financial Corp., the troubled lender it bought in 2008.

Countrywide was the nation's largest subprime lender and came to symbolize the real estate collapse that led to the nation's economic meltdown. The Justice Department said Wednesday that the agreement is the largest fair lending settlement in the department's history.

"If you were African-American or Hispanic and you went to Countrywide for a loan, and you were qualified, you likely paid more simply because of the color of your skin," said Assistant Attorney General Thomas E. Perez. People of color also were "far more likely to be steered into an expensive and risky subprime loan than a similarly-qualified white borrower."

iWatch News reporter Michael Hudson has covered the risky lending practices at Countrywide in a series of stories called "[The Great Mortgage Coverup](#)."

Perez said more than 200,000 African-American and Hispanic victims are identified in the complaint and will receive compensation.

Bank of America in a statement said that it does not discriminate.

The abuses occurred between 2004 and 2007, the peak of the subprime borrowing craze.

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