Lawyer David Zak Fights Risk-Based Pricing

Lawyer David Zak has a long history of fighting predatory lending and negotiating [loan modifications](http://www.zillow.com/loan-modification/) for his clients. While credit can be a useful tool to improve someone's economical flexibility, predatory lending practices are harmful to lenders and borrowers alike, as well as to the reputation of providers of credit.

Without going too far into the technical, what constitutes predatory lending? Generally, the primary factor that determines the interest rate of any given loan is the risk to the lender of not recouping their money. This is called risk-based pricing. When there is a discrepancy between the risk of default and the interest rate, this is called unjustified risk-based pricing. Take note: risk-based pricing is in and of itself not a predatory lending practice. Banks and other sources of credit must take risk into account when pricing loans or they would not be able to make comparable yields on clients with fewer assets.

If you think you have been the victim of a predatory loan, you can set up a consultation with lawyer David Zak at [www.zaklawoffices.com](http://www.zaklawoffices.com/).