



SCAM ALERT

MORTGAGE RESCUE ASSISTANCE

As a result of the foreclosure crisis, mortgage rescue scams have cropped up over the country. A rescue scam typically occurs when a company offers to provide assistance with saving a home from foreclosure but does not actually provide these services. Scammers may contact potential victims by telephone, email, regular mail or door-to-door marketing. In addition, scammers typically prey on vulnerable homeowners by claiming to be legitimate government operations or law firms.

Mortgage rescue scams take many forms, including:

- **PHONY HELP:** You pay a fee to the scammer to assist you in modifying your loan. The scammers do little or nothing to help get the loan modification. They disappear with your money.
- **FORENSIC AUDITS:** In exchange for a fee, scammers offer you a review of your documents by “expert auditors” to identify lender noncompliance with the law and claim you can use the reports to speed up your loan modification, reduce what you owe, or even cancel your loan.
- **RENT-TO-BUY:** The scammer requires you to surrender your home title and they will take over mortgage payments. They say they will allow you to stay in the home as a renter until you can buy it back. This typically results in an impossible buyback.
- **NATIONAL MORTGAGE SETTLEMENT:** Scammers contact you and claim that you may be eligible for proceeds from a national mortgage settlement with major banks. They require you to pay fees to have your loan documents reviewed.

If you spot any of the following behaviors, beware a scam:

- A guarantee to stop foreclosure or secure a loan modification.
- Requiring an advance fee before providing services.
- Using pressure tactics such as repeated phone calls.
- Advising you to stop making payments or talking to your lender.
- Asking you to transfer home title to someone else.

If you spot a potential scam, report it at www.preventloanscams.org or contact Housing Opportunities Made Equal at 804.354.0641. HOME also offers free foreclosure prevention services.

The work that provided the basis for this publication was supported by funding under a grant/cooperative agreement with the U.S. Department of Housing & Urban Development.



*Housing Opportunities Made Equal
Ensuring equal access to housing for all people*

