



For Homeowners

Facing foreclosure? Scammers are targeting people having trouble paying their mortgages. Some claim to be able to “rescue” homeowners from foreclosures, while others promise to modify your loan – for a fee. The Federal Trade Commission, the nation’s consumer protection agency, wants you to know how to avoid scams that could make your housing situation go from bad to worse.

If you are in danger of foreclosure, [AVOID](#) any individual or company that:

Requires a fee in advance

Don’t pay any business, organization, or person who promises to prevent foreclosure or guarantees you a new mortgage. So-called “foreclosure rescue companies” claim they can help save your home, but they can’t really do that. They’re just out to make a fast buck. Some may ask for hefty fees in advance – and then, once you pay, stop returning your calls. Others may string you along before disclosing their charges. Cut off all dealings if someone insists on a fee in advance.

Promises to find mistakes in your loan documents that will force your lender to cancel or modify your loan

Cancelling your loan won’t allow you to stay in your home, and in most cases, lenders are not required to modify your loan to make it more affordable simply because of mistakes in your loan documents.

Guarantees to stop a foreclosure

“We can stop your foreclosure!”

“97% success rate!”

“Guaranteed to save your home!”

These kinds of claims are the tell-tale signs of a foreclosure rip-off. Don’t do business with anyone who offers an “easy out” of foreclosure.

Advises you to stop paying your mortgage company or stop talking to your mortgage company

Some scammers offer to handle financial arrangements for you, and then pocket your payment instead of sending it to your mortgage company. Send your mortgage payments **ONLY** to your mortgage company. Scammers may advise you not to communicate with your mortgage company. That’s a bad idea because you may not find out until it’s too late that the scammer has done nothing for you, that your mortgage company was willing to modify your loan, or even that foreclosure is just days away!

Help is Available

Contact your mortgage company as soon as possible if you’re having trouble paying your mortgage or if you get a foreclosure notice. Keeping the lines of communication with your mortgage company open is critical.



Call

1-888-995-HOPE

for free personalized advice from housing counseling agencies certified by the U.S. Department of Housing and Urban Development (HUD). This national hotline – open 24/7 – is operated by the Homeownership Preservation Foundation, a nonprofit member of the HOPE NOW Alliance of mortgage industry members and HUD-certified counseling agencies.

For free guidance online, visit

www.hopenow.com

And for free information about the President's plan to help financially strapped homeowners in mortgage misery, visit

www.makinghomeaffordable.gov

