



**888-995-HOPE**  
Homeowner's HOPE™ Hotline



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SVP, Policy & Programs  
Homeownership Preservation Foundation  
US Department of Housing and Urban Development (HUD)  
Panel: Recognizing and Preventing Foreclosure Scams  
March 23th, 2011




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Who We Are

- Founded in 2003, the Homeownership Preservation Foundation is a 501(c)(3) independent national nonprofit dedicated to reducing foreclosures and preserving homeownership for American homeowners
- HPF provides a comprehensive foreclosure prevention counseling service available to the homeowner for free by calling **888-995-HOPE™**




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Who we Are

- The Homeowner's HOPE Hotline is free to homeowners and offered by a network of 8 HUD-approved non-profit counseling agencies and 600 counselors, 24 hours a day, 7 days a week, 365 days a year in 170 languages
- Since 2007, the Homeowner's HOPE Hotline has handled over 4,000,000 million calls and counseled over 1,000,000 homeowners
- In 2010, 1.6 million homeowners called the Hotline; average is 5,000 calls each day




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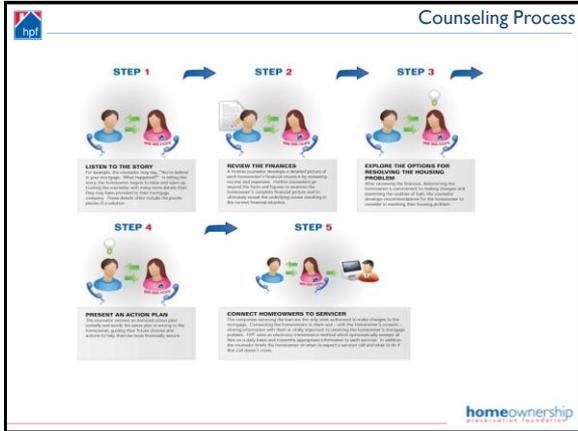
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### Facts and Trends

- 71% of the callers report that loss of income due to underemployment or unemployment is their primary reason for default.
- 44% of the callers have an annual gross income of less than \$40,000
- Average unsecured debt amount is \$18,000
- 17% of those who qualified for HAMP had back end Debt to Income ratios greater than 55%
- 450 homeowners per week feel they've been the victim of a scam
- 7% of the consumers who call us are suicidal

*Borrowers already seriously delinquent on their loans were 60 percent more likely to avoid foreclosure after meeting with a counselor as those who didn't (Urban Institute, 2009)*

homeownership  
 FORECLOSURE PREVENTION

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### Making Home Affordable

MAKING HOME AFFORDABLE.gov™

With the announcement of President Obama's MAKING HOME AFFORDABLE program in March, 2009, HPF was honored to become the nation's foreclosure prevention hotline. Part of our role is help to determine program pre-eligibility for homeowners and provide counseling that prepares them to take advantage of MHA

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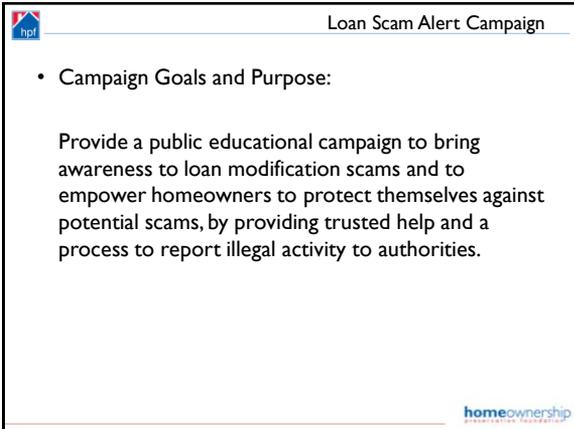
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 Common Loan Modification Scams

- **General Modification Scam**  
Organization "Guarantees" a modification, requires an up front fee, may tell you to not contact your lender, lawyer or counselor
- **Fake "Government" Modification Programs**  
Claim to be affiliated with or approved by the Government
- **Forensic Loan Audit**  
Organization claims they will audit your modification packet for a fee and can accelerate the modification process
- **Bait and Switch**  
Organization tricks the homeowner to sign documents that claim to be for a loan modification, but are actually signing over the title/deed of the home
- **Rent to Own or Leaseback Scheme**  
Organization requests to sign over title, rent the property back to the homeowner with the promise to sell the property back, but they have no intentions of selling the property back



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 How To Identify A Scam Organization

- Asks for a fee in advance
- Company guarantee's they can stop a foreclosure or secure a loan modification
- They request that you stop paying your mortgage payment and pay them instead
- They pressure you to sign over your title or documents prior to having a chance for you to review
- Claims to be affiliated with the Government
- If someone you don't know asks for personal information over the internet or over the phone



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 Partnership Opportunities and Contact Information

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