



What Is the Loan Modification Scam Prevention Network?

We are a coalition of government agencies, national and local nonprofits, servicers and government-sponsored enterprises.

Goal is to prevent loan modification and foreclosure rescue scams nationwide:

- Educate homeowners
- Collect and analyze complaints
- Share information with non-profits and enforcement agencies



Four Components Support Education & Enforcement

 <p>Media Outreach Working Group</p>	 <p>Other Counseling Agencies</p>	 <p>Database Working Group</p>	 <p>Federal, State & Local Agencies</p> <p>NFMA</p>
Educate public on foreclosure rescue & loan modification scams	Gather complaints – phone, online & paper	Analyze information in centralized national database	Share information with enforcement agencies to prosecute scammers



Nationwide Reports in the LMSPN Database as of March 2011

As of March 15, 2011 there were 11474 completed reports of alleged loan scams submitted by U.S. homeowners into the Lawyers' Committee's national Loan Modification Scam Database.

from January 1 – March 15, 2011:

1861 reports submitted (approx. 700 per month).

85.6 % (1594 of 1861) identified their race:

52.7% White (841)

43.7% African American, Latino and Asian (327, 308 and 62, respectively)



- **30.9%** (575) of homeowners reporting in 2011 identified as seniors, age **51 years of age and older**. Losses range from \$195 up to \$16,500.
- 2011 scam profile #1: 21 reports from 14 states covering all U.S. regions; M.O.: phone solicitation, tells homeowner they are already approved so mod is 'guaranteed', claims Obama and MHA affiliation; 'reasonable' fee around \$400 per mortgage in most cases



- **22.6%** (422) assert **legal representation** as part of scam; 377 of them reported losses, totaling \$1.07 million – average loss is \$2,854. Over half (212 reports) allege scams by a CA or FL co.
- 2011 Scam profile #2: Homeowners looking for info online get a call from FL co. that requests installment fees by debit or check, then tells complaining homeowner the case has been referred to another law firm and/or new regulations made the co. fire staff and refer cases – losses range from \$1350 - \$3200.



Get the Facts! Go to www.PreventLoanScams.org:





Fight Back! Report Scams to the Network!
Three different ways:

- Online: www.preventloanscams.org
- By Phone: (888) 995-HOPE (-4673)
- Use the Paper Complaint Form and Send by Mail, E-mail or Fax to the Lawyers' Committee for Civil Rights Under Law



- For General Support, Database Access
 - Yolanda McGill, Senior Counsel, Fair Housing & Fair Lending, Lawyers' Committee for Civil Rights Under Law
 - Email: ymcgill@lawyerscommittee.org
 - Phone: 202-662-8379
