

From: Housing.Counseling
Sent: Monday, January 25, 2010 11:46 AM
To: 'sf-housing-counseling-l@hudlist.hud.gov'
Subject: HELP FIGHT LOAN MODIFICATION RESCUE SCAMS

As a housing counselor or advocate, you see first-hand the damage caused by unscrupulous and sometimes criminal third-party scammers, con-artists, and thieves purporting to offer loan modification services.

Such scams only compound the problems that homeowners face and increase the amount of support you need to provide. Help HUD, along with the Loan Modification Scam Prevention Network (the Network), a national coalition of governmental agencies and private organizations, to fight the scammers.

Here's how housing counselors and advocates can help

1. Ask the following two questions of each homeowner:
 - * Did anyone offer to help modify your mortgage, either directly, through advertising, or by any other means such as a flyer?
 - * Were you guaranteed a loan modification or asked to do any of the following: pay a fee, sign a contract, redirect mortgage payments, sign over title to your property, or stop making loan payments?
2. Report scams to the Network

If the answers to both questions are yes, help the homeowner report the potential fraud. The complaint form is attached (NOTE: this is original language of email blast which had the form attached. You must now go on line to get the form) and can be filled out on line at <http://intake.preventloanscams.org>

The Network is developing a national database that will support law enforcement efforts and provide a comprehensive picture of the loan modification scam crisis nationwide. Receiving complaints from throughout the country is crucial to this enforcement effort, and counseling agencies and other housing agencies and organizations are especially well-positioned to help homeowners report complaints. If you have any questions please contact Yolanda McGill at the Lawyers' Committee for Civil Rights Under Law, ymcgill@lawyerscommittee.org or call 202-662-8352.

3. Educate Borrowers to Avoid Scams

Go to www.loanscamalert.org to learn more about loan modification scams and become a partner. NeighborWorks America hosts the website as part of a comprehensive national media and outreach campaign. There you will find important information for homeowners and partners can access a toolkit of ready-made materials on loan scams.

This message has gone out to the email addresses provided by all active Housing Counseling Agencies in HUD's Housing Counseling Program. All Parent Agencies should make sure their sub-agencies have received this

information. Please direct questions or comments to your HUD point of contact or email Housing.Counseling@hud.gov

Thank You.

Director, Program Support Division
Office of Single Family Housing
Department of Housing and Urban Development

Loan Modification Rescue Scam Network
Lawyers' Committee for Civil Rights Under Law
Neighborworks
Fannie Mae
Freddie Mac