

CONSUMER ALERT: Attorney General reminds homeowners of new foreclosure review program

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CONSUMER ALERT: Attorney General reminds homeowners of new foreclosure review program

Warns of potential for related fraud and ID theft scams

SEATTLE – Attorney General Rob McKenna today reminded Washington residents that the federally mandated foreclosure review program is now underway, and eligible homeowners can expect an information letter from their mortgage lender to arrive in the mail soon.

“In this case, that letter in the mailbox offering a free, independent review of your foreclosure situation is *not* a scam,” said McKenna. “These letters are being sent from the Independent Review Administrator as part of an agreement with major banks, and there is *no* cost to borrowers who request a review.”

After widespread problems in the mortgage service industry, such as “robo-signing,” were exposed last year, the federal banking regulators reached a deal with the nation’s 14 largest mortgage lenders and their affiliates to offer free, independent reviews to homeowners who were in some stage of foreclosure in 2009 and 2010. The independent reviews are part of an effort to determine which homeowners have suffered financial injury as a result of servicer errors, misrepresentations or other deficiencies in the foreclosure process. On Tuesday, the administrator began mailing letters to more than 4 million eligible homeowners.

McKenna is also urging consumers to continue to be vigilant in safeguarding personal information in order to avoid falling victim to related fraud and ID theft scams.

“With a large number of mortgage servicers attempting to contact millions of homeowners nationwide, it’s safe to assume identity thieves are already trying to find ways to capitalize on this situation,” McKenna said. “This program is free, so be on the lookout for your review letter, and be alert for any related con games that may crop up across the country.”

Examples of potential scams identified by federal regulators include:

- ✓ Con artists attempting to offer paid services to assist borrowers with their request for review.
- ✓ Copycat letters and forms requesting information that could be used for fraud or ID theft.

Eligible homeowners who do not receive a letter can still proactively request a review. To learn how, or find more information about this program, call 1-888-952-9105 or visit www.independentforeclosurereview.com. Requests for review must be submitted by April 30.

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