

CONSUMER ADVISORY

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By Attorney General Tom Miller

Beware of “Foreclosure Rescue Scams”

If you need help: Call the *free* Iowa Mortgage Help Hotline at 877-622-4866.

Scam-artists are trying to cheat Iowans who are caught up in the nationwide foreclosure crisis. Mortgage foreclosure “rescue” schemes ask you to pay thousands of dollars up-front for so-called assistance or “rescue” from foreclosure – but they just take your money and do little or nothing to help. The scam puts you in a deeper financial hole, does nothing to save your home, and diverts you from getting real help.

The Attorney General's Office has received scores of complaints from families who were conned into paying \$1000 to \$1500 or more to companies that promised to help them obtain a loan modification and avoid foreclosure, but then the con-artists did little or nothing to help.

Warning signs of foreclosure “rescue” scams:

- Beware of Internet ads promising loan modifications.
- Be wary of solicitations that come by phone, mail, or e-mail, or even might come to your door, because information about people facing foreclosure is included in public court records.
- Watch out for solicitations from out-of-state law firms. Most are foreclosure rescue scams in disguise.
- Beware if someone claims to have a “special relationship” with your lender or “servicer” (they don't!) Beware if they tell you not to talk to your lender or servicer directly because that's just what you should be doing.
- Beware if they ask for payment “up-front.” It's illegal in Iowa to charge any fee until all services under the contract are provided.

If you have been cheated by a “rescue scam,” contact the Iowa AG's Office.

Get help you can trust, if you are facing foreclosure or having trouble making payments: Call the Iowa Mortgage Help Hotline at 877-622-4866. The Hotline is sponsored by the AG's Office and the Iowa Finance Authority. It offers *free*, confidential help from trained counselors. This free service could save your home.

Don't delay. If you are facing difficulty making payments, or facing the threat of foreclosure, take steps now to save your home – but don't fall for “mortgage rescue” loan-modification schemes that will only make your situation worse! The earlier you get true assistance, and the earlier you are in contact with your lender, the more likely you can save your home. Call the free Iowa Mortgage Help Hotline at 877-622-4866.

For more information or to file a complaint, contact the Attorney General's Consumer Protection Division, Des Moines, Iowa 50319. Call 515-281-5926, or toll-free at 888-777-4590. The website is: www.iowaAttorneyGeneral.gov.