



**18220 Harwood Avenue
Suite 1
Homewood, IL 60430**

**(708) 957-4674 (voice)
Fair Housing/Lending
Intake—Ext. 32**

www.southsuburbanhousingcenter.org

This material is made possible by a Fair Housing Initiatives Program grant from the U.S. Department of Housing and Urban Development

For More Information:

U.S. Department of Housing and Urban Development
www.hud.gov

Locate HUD Housing Counseling Agencies:
1-800-569-4287
TDD 1-800-877-8339

Loan Modification Scam Alert
www.LoanScamAlert.org
1-888-995-4673

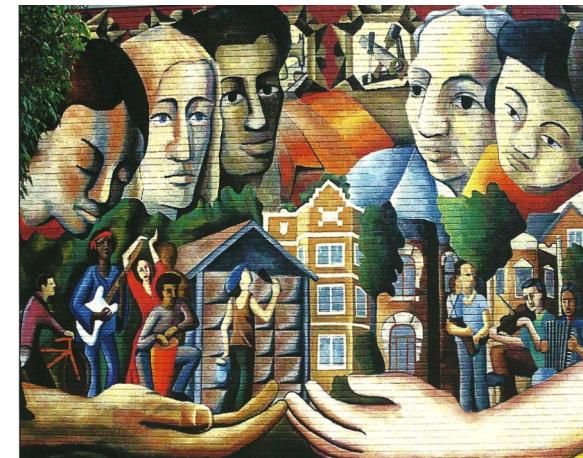
Federal Trade Commission Scam Alerts/Homes & Mortgages
www.ftc.gov

Illinois Foreclosure Prevention Network
www.keepingyourhomeillinois.org
1-855-KEEP-411

Illinois Attorney General Homeowner Helpline
www.illinoisattorneygeneral.gov
1-866-544-7151

HOME IS WHERE YOU NEED TO BE

**—
AVOID
MORTGAGE
FRAUD**

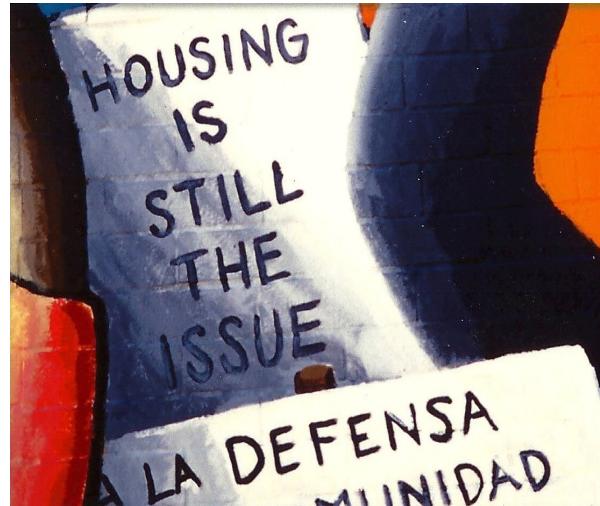


© Photograph by Bernard J. Kleina

This brochure explains how property owners can avoid losing their homes because of fraudulent mortgage practices.

Be Aware of Mortgage Fraud Scams

- Any solution to your mortgage delinquency problem that sounds too simple or good is usually a scam.
- **Mortgage Rescue Scammers**— offer to “help” you by promising to pay off your mortgage delinquency if you deed the property to them and allow you to stay in your home if you pay rent. The scammer collects rent but does not make mortgage payments allowing the lender to foreclose. Your transfer of the deed does not relieve you of the original mortgage obligation.
- **Phony Counseling or Mortgage Modification Firms**— approach you to perform services to “negotiate” with your lender for a new payment plan or short sale resolving your crisis for an up-front fee of thousands of dollars.
- **Up Front Fees are illegal**— a Federal Trade Commission Rule enacted on 1/31/11 prohibits companies that offer mortgage modification or other relief services from charging up front fees.
- **Falsification of Income Documentation**— suggested by the scammer assisting you, if submitted, amounts to actionable mortgage fraud.



© Photograph by Bernard J. Kleina

Identify Legitimate Housing Counseling and Legal Assistance

- HUD-approved counseling agencies such as SSHC and others listed found at 1-800-569-4287.
- Local legal aid is available if you qualify for their services at the Legal Assistance Foundation of Chicago at (312) 341-1070 or Prairie State Legal Services at (815) 965-2134.
- Be cautious of private attorneys who may not be licensed in your state who contact you through media or internet solicitations.
- To confirm an attorney is licensed to practice in Illinois go to: www.iardc.org/lawyersearch.asp

Seniors Be Cautious When Considering Reverse Mortgages

- Available for seniors aged 62 and over with significant equity in their homes.
- FHA insured Home Equity Conversion Mortgage (HECM) requires counseling.
- Non-federal insured reverse mortgages are available that do not require counseling.
- These loans can be prone to abuse resulting in little financial benefit to the borrower; fostering property repair and investment scams.
- Debt must be paid back by surviving spouse or heirs.
- Get counseling and legitimate financial advice before considering this option.

Precautions to Avoid Mortgage Fraud

1. Never sign home mortgage or title (deed) documents you don't understand.
2. Check with a real estate lawyer, your mortgage company, trusted real estate professional or HUD housing counselor before entering any transaction involving your home.
3. Don't be afraid to get help if you suspect you have been scammed or need to verify the legitimacy of the service provider. Call SSHC, a HUD-approved counseling agency and fair housing enforcement organization, at (708) 957-4674.