



There's Hope. Avoid Foreclosure.

www.TheresHopeWM.org

How Can I Avoid Foreclosure Scams?

- Do not sign any papers you do not fully understand. Do not sign any papers that have blank lines or spaces that could be filled in later, and do not sign any documents that contain errors or false statements, even if someone promises to correct them.
- Make sure you get all “promises” in writing.
- Do not respond to online or phone solicitations that say they will help with foreclosure prevention.
- Never sign a contract under pressure.
- Check with a real estate attorney before entering into any deal involving your home.
- Beware of any loan assumption where you are not formally released from liability for your mortgage debt and contracts of sale. Remember that signing over your deed to someone else does not necessarily relieve you of your obligation on your loan.
- If you are selling your house yourself to avoid foreclosure, you should first consult a real estate attorney. Check to see if there are any complaints against a prospective buyer before entering into a binding contract. Sources to contact are the State Attorney General’s office, the State Real Estate Commission, or the local District Attorney’s Consumer Fraud Unit.
- You should not have to pay a fee in advance for foreclosure prevention counseling. You can visit <http://www.hud.gov/offices/hsg/sfh/hcc/fc/> to find a HUD-approved agency near you with counselors who can assist you. Their services are free and confidential.
- Do not trust anyone to make loan payments for you; make your own payments directly to your lender or mortgage servicer.
- Watch out for scam artists who offer to act as an intermediary between you and your lender to negotiate a repayment plan or loan modification and may even “guarantee” to save your home. In reality, the scammer may pocket your money and leave you in worse shape than you were before. The scam artist may also tell you to stop making payments or stop communicating with your lender. Don’t follow that advice.
- Report suspicious activity to the Federal Trade Commission, your State Attorney General’s Office, or your state and local consumer protection agencies.