



For Immediate Release

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Neighborhood Housing Services of South Florida Urges Consumers to Avoid Loan Modification Scam “Tricks”

Miami, Florida – This Halloween season Neighborhood Housing Services of South Florida (NHSSF) would like to remind all homeowners to beware of the “tricks” that loan modification scam artists are using to fleece Miami-Dade and Broward County homeowners in danger of foreclosure out of cash, equity, and even the deeds to their homes.

With a national unemployment rate hovering around 9%, local unemployment rates at 10.5 percent in Broward and 13.1 percent in Miami-Dade, increased confusion in the marketplace surrounding foreclosure processing and bank foreclosure freezes, loan modification scam artists continue to adapt their messaging and high-pressure sales tactics to take advantage of unsuspecting homeowners who are struggling or unable to make their mortgage payments each month.

“Loan modification scam artists are slick and relentless. They are using every trick in the book to prey upon homeowners during a very stressful time,” said Arden Shank, President/CEO of NHSSF. “Consumers in our hardest hit areas need to learn the warning signs of a loan modification scam, and report the scam artists that they encounter so they can protect themselves, their friends and family, when seeking a solution to foreclosure or seeking a loan modification.”

Loan modification scam “tricks” aren’t always easy to spot; the warning signs include:

- **A company/person asks for a fee in advance to work with your lender to modify, refinance or reinstate your mortgage.** They may pocket your money and do little or nothing to help you save your home from foreclosure.
- **A company/person advises you to stop paying your mortgage company and pay them instead.** Despite what a scammer will tell you, you should never send a mortgage payment to anyone other than your mortgage lender. The minute you have trouble making your monthly payment, contact your mortgage lender.
- **A company/person guarantees they can stop a foreclosure or get your loan modified.** Nobody can make this guarantee to stop foreclosure or modify your loan. Legitimate, trustworthy HUD-approved counseling agencies will only promise they will try their very best to help you
- **A company claims to offer "government-approved" or "official government" loan modifications.** They may be scam artists posing as legitimate organizations approved by, or affiliated with, the government. Contact your mortgage lender first. Your lender can tell you whether you qualify for any government programs to prevent foreclosure. And, remember, you do not have to pay to benefit from government-backed loan modification programs.

Where should homeowners turn when facing foreclosure or seeking a loan modification? The right people – HUD-approved nonprofit housing counselors in their community, like NHSSF. Nonprofit housing counselors at NHSSF are excellent, and free, resources available for homeowners facing foreclosure.

“Our counselors work one-on-one with our clients to examine their financial outlook and determine the best option for each homeowner, whether it’s a loan modification,



forbearance, or any other tools that the homeowner's bank currently offers to homeowners in danger of foreclosure," said Shank, President/CEO.

For more information about NHSSF's foreclosure intervention counseling and other services, please visit www.nhssf.org or contact our office at 305-751-5511 x1100.

For more information about loan modification scams, the warning signs of loan scams, and the Loan Scam Alert campaign, visit www.LoanScamAlert.org. Consumers can also report loan modification scam artists on LoanScamAlert.org.

The campaign web site is also available in Spanish at www.AlertaFraudedeHipoteca.org. Campaign materials are also available in Chinese, Korean and Vietnamese.

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