



“Rescue” scams come in many forms. Some foreclosure-related scams to beware of:

- The scam artist tells you that he can negotiate a deal with your lender to save your home - if you pay a fee. Once you pay, the scam artist takes off with your money.
- You are asked to make all your mortgage payments directly to the scam artists while they negotiate with the lender. After collecting your payments for a few months, the scammer disappears with your money and you still owe the lender.
- You think you’re signing documents for a new loan to make your existing mortgage current—but instead, you have given unscrupulous individuals ownership (the deed) to your home.
- You surrender the title to your home as part of a deal that allows you to remain in your home as a renter, and buy it back later. But you lose all rights, and the scammer takes the equity in your home.
- A scam artist offers to find a buyer for your home, but only if you sign over the deed and move out. Once you transfer the deed, the scam artist rents out the home and pockets the proceeds while the foreclosure continues. You lose your home—and you’re still responsible for the unpaid mortgage.
- The scam artist promises to negotiate with your lender or to get refinancing on your behalf for a fee. But instead, he pockets the fee and files a bankruptcy case in your name. You could lose the money as well as your home—and end up with a bankruptcy filing that ruins your credit history.

Tips to avoid mortgage rescue scams and mortgage fraud:

- **Avoid anyone who asks for money to help you modify your loan.** Scammers often take the form of a loss mitigation company, a bankruptcy lawyer, a real estate broker, and/or someone who uses government logos and offers “special programs” to *appear* that they can offer legitimate help.
- **Instead, find a nonprofit housing counselor** who will help you **for free** at www.takerootmilwaukee.org, www.hud.gov or www.findaforeclosurecounselor.org.
- Beware of offers or promises that seem too good to be true. **Be especially wary of guaranteed results.**
- Do not give away your Power of Attorney.
- Do not be pressured to sign any contract. Take your time to review all documents thoroughly.
- Don’t sign away ownership of your house (don’t transfer the deed) to anyone without advice from a nonprofit housing counselor or a reputable, experienced real estate lawyer.
- Federal regulations prohibit “Mortgage Assistance Repair Services” from collecting any fees until there is a written and executed loan modification agreement between you and your lender or servicer.
- Filing for bankruptcy will not necessarily save your primary home from foreclosure.
- If your English-speaking skills are limited, bring your own trusted translator to any financial or homeownership negotiations.
- Federal and some state laws prohibit companies from charging for credit repair services until the services have been fully performed. Ask your Attorney General’s (AG) office for the details.
- Before doing business with any firm, check the company with your state AG, local consumer protection agency, and the Better Business Bureau. If the company is required to be licensed, check the license.

If you suspect that you have been approached by a scammer, please call the Metropolitan Milwaukee Fair Housing Council, a nonprofit agency that can help you – for free! Call (414) 278-1240, or from outside of Milwaukee County, call tollfree: (877) 765-4434