

Fraud Warnings for Homeowners in Financial Distress

Protect yourself from loan modification or foreclosure rescue scams with the help of the California Bureau of Real Estate (CalBRE).

Beware of loan modification and foreclosure rescue scams run by con artists who demand the payment of upfront fees.

Home Loan Modifications

What is a Loan Modification?

Loan modifications are situations in which you and your lender agree to modify one or more of the terms of your home loan. The terms could be a lower interest rate, an extension of the length of the loan (like converting a 30-year loan into a 40-year loan), changing an adjustable-rate loan (called an ARM) to a fixed rate, a rate freeze, the deferring of some of your payments, or any other modification or restructuring of loan terms.

The goal of a successful loan modification is to help you keep your home and to give you a real, meaningful, sustainable, and long-term adjustment to your current home loan that works for your financial situation. Not everyone will meet the qualification requirements for a loan modification. If you have been turned down by your lender, seek counseling services for advice on other options available to you.



DEPARTMENT OF CONSUMER AFFAIRS BUREAU OF REAL ESTATE

1651 Exposition Blvd.

Sacramento, CA 95815

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www.calbre.ca.gov

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FRAUD WARNINGS FOR HOMEOWNERS IN FINANCIAL DISTRESS



Protect Yourself From Becoming a Victim

Free and Safe Options

The **U.S. Department of Housing and Urban Development** (HUD) offers foreclosure avoidance counseling through nonprofit agencies in California. Go to HUD's website at www.hud.gov or call (800) 569-4287 to find counselors. HUD also offers information to homeowners facing the loss of their home.

The HOPE NOW alliance is a cooperative effort of home loan counselors and lenders, and it consists of HUD intermediaries. Go to the Hope Now website at www.hopenow.com or call its hotline at (888) 995-HOPE.

If you are considering obtaining assistance from a person or company that is not a HUD-approved nonprofit housing counselor, always "Log on, look 'em up, and check 'em out" at www.bre.ca.gov to ensure the company or person is properly licensed. And remember, never pay an upfront fee for loan modification or forbearance services.



If You Have Already Been Scammed

If you have already been the victim of a scam by a disreputable company, or have become aware of a loan modification scam, you can report fraud to CalBRE at (877) 373-4542.

For more information, advice, and safeguards, visit CalBRE's Consumer Alerts section: <http://www.bre.ca.gov/Consumers/ConsumerAlerts.html>.

Contact CalBRE

To contact the California Bureau of Real Estate, call (877) 373-4542 toll-free for assistance in English or Spanish.

Bureau of Real Estate District Offices

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