



NEWS RELEASE

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CONTACT: Tom Pool, (916) 227-0772

**Department of Real Estate Issues New Consumer Alert --
*Special Warning to Spanish-Speaking Homeowners and Tips on Avoiding Scams***

SACRAMENTO – The California Department of Real Estate (DRE) has issued a Consumer Alert to help Spanish-speaking consumers avoid falling victim to foreclosure rescue scams. The DRE, whose mission is to protect and safeguard the public interests in real estate matters, issued the alert in response to the large number of cases that involve scammers who specifically target non-English speaking homeowners in the Latino community.

“Based on the cases we prosecute, it is clear that Spanish-speaking fraudsters are targeting homeowners by taking advantage of the culture of trust within the Latino community” stated Wayne Bell, the DRE’s Chief Counsel and author of the special warning. The typical scam involves the promise of a loan modification or other mortgage or foreclosure relief in exchange for an upfront fee, but once the fee is paid little or nothing is done to help the homeowner.

The warning provides tips on how homeowners can avoid mortgage relief scams, which include:

- Watch out for promises of guaranteed success. An ad on the television or radio, or in a newspaper, magazine or on the Internet, does not mean that what is advertised is lawful or truthful. No one can promise that a loan modification or other relief plan will be successful.
- Do not place your trust in someone just because he or she speaks Spanish or may share the same or a similar background with you. A scammer will use a similar background and ability to speak your language to convince you to part with your money and/or property.
- Never pay an upfront fee for loan modification services. Such fees are illegal.
- Never pay in cash, or wire cash to anyone who offers you home loan relief. With extremely limited exceptions, cash payments, and cash that has been wired, cannot be recovered. And cash payments usually provide prosecutors with little or nothing in the way of proof of payment.
- Never transfer or sign your home over to any third party or anyone else who claims that such a transfer can or will help you repair your credit or keep you in your home. And do not make your home loan payments to anyone except your lender.
- Look into free personalized advice from housing agencies certified by the U.S. Department of Housing and Urban Development that is available by calling 1-888-995-HOPE. Free guidance is available online at www.hopenow.com.

Victims of a scam should contact the California Department of Real Estate by calling the department's Spanish language call center at 213-576-6878, or its Mortgage Lending Activities unit at 916-227-0770.

For a copy of the alert and more information about DRE and its programs visit www.dre.ca.gov.