

Understand Your Legal Issue

Solve Your Legal Problem

www.floridalawhelp.org

Mortgage Rescue

Mortgage Rescue Scam Prevention

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FAQ

What is equity stripping?

Investors sometimes take properties from foreclosed homeowners in exchange for allowing the homeowner to stay in the property as a tenant. Because of the complexity of the transaction and false assurances given by rescue scammers, victims are often unaware that they are giving away their property and equity.

Do not sign the deed to your home over to a mortgage rescue company unless you are sure that you want to give up ownership of your home!

How can I tell if a counseling service is legitimate?

Some groups calling themselves "counseling agencies" may approach you and offer to stop the foreclosure for a large fee. These could well be services you could do for yourself or available for free, such as:

- Refinancing your mortgage
- Negotiating a payment plan
- Requesting a forbearance
- Filing an insurance claim
- Entering into a reverse mortgage
- Selling the home

Under new rules, mortgage relief companies may not collect any fees until they have provided consumers with a written offer from their lender or servicer that the consumer decides is acceptable, and a written document from the lender or servicer describing the key changes to the mortgage that would result if the consumer accepts the offer. A list of free HUD approved housing counseling agencies is available at www.hopenow.com or by calling 888-995-HOPE

Can a non-lawyer help me with my legal problems?

A non-lawyer cannot help you with your legal problem. Only a licensed member of The Florida Bar can give you legal advice. If someone else helps you with your legal problem, they may be prosecuted for the unlicensed practice of law and your case may be affected. Attorneys may be exempt from the advance fee ban outlined above if they are following state law and if they place the fee in a client trust account.

What do I do if I experience mortgage rescue fraud?

Keep a written record of all attempted and actual contacts and conversations with the lender, real estate agent, mortgage broker, appraiser, loan servicer or title company.

Keep all documents, including loan applications, letters of denial and other materials related to the discriminations.

Who can I contact for help?

- Your local Legal Services office
- Florida Commission on Human Relations 800-342-8170 Email: fchrinfo@fchr.myflorida.com
- U.S. Department of Housing and Urban Development, Departmental Enforcement Center 800-440-8091 Email: fhwebmanager@hud.gov

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Links:

[Mortgage Rescue Scam Prevention - English](#)

[Prevención de Estafas de Rescate Hipotecario - Spanish / Español](#)

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<http://www.floridalawhelp.org/node/295/mortgage-rescue-scam-prevention>

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