



## Options for avoiding ripoffs on foreclosure

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By Tony Pugh, McClatchy Newspapers

WASHINGTON -- If you're behind on your mortgage or facing foreclosure, contact your mortgage company first to see whether a new payment plan can be worked out or the loan can be refinanced. If that doesn't work, consider selling the house or contacting a credible housing counselor.

Housing counselors approved by the Department of Housing and Urban Development can be found at [www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm](http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm) or by calling HUD's interactive voice-response system at 800-569-4287.

ACORN Housing offers a Home Equity Loss Prevention program with mortgage-delinquency counselors who can intervene to help homeowners who face foreclosures. The toll-free agency HELP line is 888-409-3557. E-mail requests can be sent to [help@acornhousing.org](mailto:help@acornhousing.org).

If you're trying to avoid foreclosure, stay away from advertisements, mailings, billboards, fliers and visitors offering to help you save your home at terms that sound too good to be true. The arrangements often wipe out hard-earned equity and only delay foreclosure proceedings.

Be especially leery of people who offer help but discourage you from contacting your mortgage company or attorney; likewise real estate agents and mortgage brokers who try to get you to sign documents under pressure or without fully explaining what they are.

The Federal Trade Commission advises avoiding lenders who:

- Ask you to sign blank forms that they fill in later.
- Won't provide copies of documents.
- Tell you it's not important to read the contract fine print.
- Promise certain terms when you apply but provide a different set of documents to sign with no valid explanation.

Experts suggest that an attorney or a credible financial or real estate professional review documents before you sign them.

If you think you've been victimized by a foreclosure-rescue scam, contact your state's financial regulatory agency. For a list of agencies that can take administrative action, go to [www.fraudproblem.com/where-to-complain](http://www.fraudproblem.com/where-to-complain).

Your state attorney general's office also can conduct a criminal investigation. For a list of state attorney general's offices, go to the National Association of Attorneys General at [www.naag.org](http://www.naag.org).

Private attorneys can file civil suits against suspected scam artists, but the investigations are long and complicated and many lawyers won't take the cases. The National Association of Consumer Advocates lists lawyers in each state who specialize in consumer-fraud cases. They can be reached at [www.naca.net](http://www.naca.net).

Local Legal Services offices can assist those who can't afford lawyers. For a listing of state offices, go to [www.lsc.gov](http://www.lsc.gov).

For information on how to avoid foreclosure, go to the U.S. Department of Housing and Urban Development Web site, at [www.hud.gov/foreclosure](http://www.hud.gov/foreclosure).

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