



Florida

has ranked among the top ten states most affected by mortgage fraud in recent FBI mortgage fraud reports.

Know Your Options

If you are having difficulty paying your mortgage you should first contact your lender directly. They may be able to assist you by providing additional options. If you ultimately decide to hire someone to help you with your situation, you should only contact a reputable financial counselor.

Assistance

If you believe you have been the victim of mortgage fraud or foreclosure scam, you can file a complaint with the Pinellas County Department of Justice and Consumer Services at:

727-464-6200

or file online at:

www.pinellascounty.org/consumer



(727) 464-6200
www.pinellascounty.org
631 Chestnut Street
Clearwater, FL 33756

Other References

Pinellas County Community Development
Foreclosure Prevention Program
(727) 464-8210

Florida Department of Financial Services Consumer Helpline. **Call before you pay** anyone who offers to help you get out of foreclosure.
(800) 342-2762

Free foreclosure prevention counseling
(888) 995-HOPE (4673)

The Florida Bar Lawyer Referral Service provides referrals to attorneys who will conduct an initial one-half hour office consultation for a low fee.
(800) 342-8011

Pinellas County complies with the Americans with Disabilities Act. To obtain accessible formats of this document, please contact the Pinellas County Communications Department at (727) 464-4600, TDD (727) 464-4431.

Protect Yourself From Mortgage Fraud & Foreclosure Scams

Preventative measures courtesy of



Foreclosure...

Foreclosures occur when you fall behind in your mortgage payments and the lender files a civil action to repossess your property. Unfortunately, with foreclosures on the rise, predators have created scams that take advantage of homeowners facing this vulnerable, often stressful situation. Be an informed consumer and avoid these common mortgage fraud scams:

Equity Skimming or Stripping: A scammer persuades you to sign over to him/her the title or the deed to the property with the understanding that he/she will pay off your mortgage to avoid foreclosure. The property is then refinanced by the scammer for the full value of the property. That person takes the additional money and does not pay off the mortgage leaving the original homeowner responsible for the loan balance. It is important to know that the act of **signing over a deed to a third party does not relieve you of your mortgage obligations.**

Mortgage Broker Scam: A broker agrees to refinance your loan to lower payments. However, in this scenario the broker fails to disclose that the deal involves either an adjustable rate mortgage (ARM) or a balloon payment. Both of these can result in much higher monthly payments over time and can cause hardship if not expected. At such time you are unable to make these larger payments, **you may lose your home.**

Internet and Telemarketing Scams: Someone contacts you by phone or through an e-mail solicitation inviting you to apply for a low-interest mortgage. You send money and financial documents to the fake company hoping that they can assist you with your home loan. However, this type of transaction could lead you to becoming a victim of identity theft or to lose your home in a fraudulent scheme. It is never a good idea to provide personal information to people you do not know and have not checked out.

Phony Counseling: Scammers charge excessive fees for services that only provide paperwork and phone calls that homeowners can do themselves. In this scenario, the homeowner is instructed not to contact the lender directly.

**Check for complaints
about a business BEFORE
you sign anything,
it's FREE.**

727-464-6200

or online at:

www.pinellascounty.org/consumer

Tips

Reduce your chances of becoming a Mortgage Fraud victim:

- Beware of people contacting you offering to save your home from foreclosure. You could end up paying thousands of dollars in fees without reducing or eliminating your debt and could end up losing your home.
- Read and understand everything that you are asked to sign and talk to an attorney if you need explanation.
- Don't sign any documents with fields left blank.
- If the deal sounds too good to be true, then it probably is.

Source: Bankrate.com

**FACING FORECLOSURE?
We Can HELP!
555-1234**

Common Mortgage Terms

Down payment: Initial amount paid towards purchase price prior to closing.

Principal: Loan amount financed.

Interest: A percentage of the principal which the lender charges for loaning the money. This is shown in the contract as an Annual Percentage Rate (APR).

Taxes: This includes your property tax which may be added to your monthly mortgage payment.

Insurance: This may include homeowner's, flood and other insurance.

Private Mortgage Insurance (PMI):

Insurance required by a lender when your loan amount exceeds 80% equity or value of your home.

