



LOS ANGELES COUNTY
**CONSUMER &
BUSINESS AFFAIRS**

Housing Preservation Series: Avoiding Foreclosure Rescue Scams

Foreclosure Prevention and Real Estate Fraud Program
(800) 593-8222
dcba.lacounty.gov



LOS ANGELES COUNTY
**CONSUMER &
BUSINESS AFFAIRS**

Our Mission

To promote a fair and vibrant marketplace, we serve consumers, businesses, and communities through education, advocacy, and complaint resolution.

**Serving Los Angeles
County consumers and
businesses since 1976**

Foreclosure Prevention and Real Estate Program

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dcba.lacounty.gov
(800) 593-8222



Agenda

- Our Services and Foreclosure Process
- How do Scammers Contact Homeowners?
- Common Foreclosure Rescue Scams and How to Identify Them
- Avoiding Foreclosure Rescue Scams
- Where to Report Scams

Foreclosure Prevention and Real Estate Fraud Program is Here for YOU

1 Homeowners

- Committed to finding solutions to avoid foreclosure
- Assess your particular situation to determine where you are in the foreclosure process
- Educate you on foreclosure process in California
- Review your options as an alternative to foreclosure
- Investigate real estate frauds and foreclosure scams
- **Inform you of common foreclosure prevention scams and how to avoid it**

Foreclosure Prevention and Real Estate Fraud Program is Here for YOU

2 Landlords

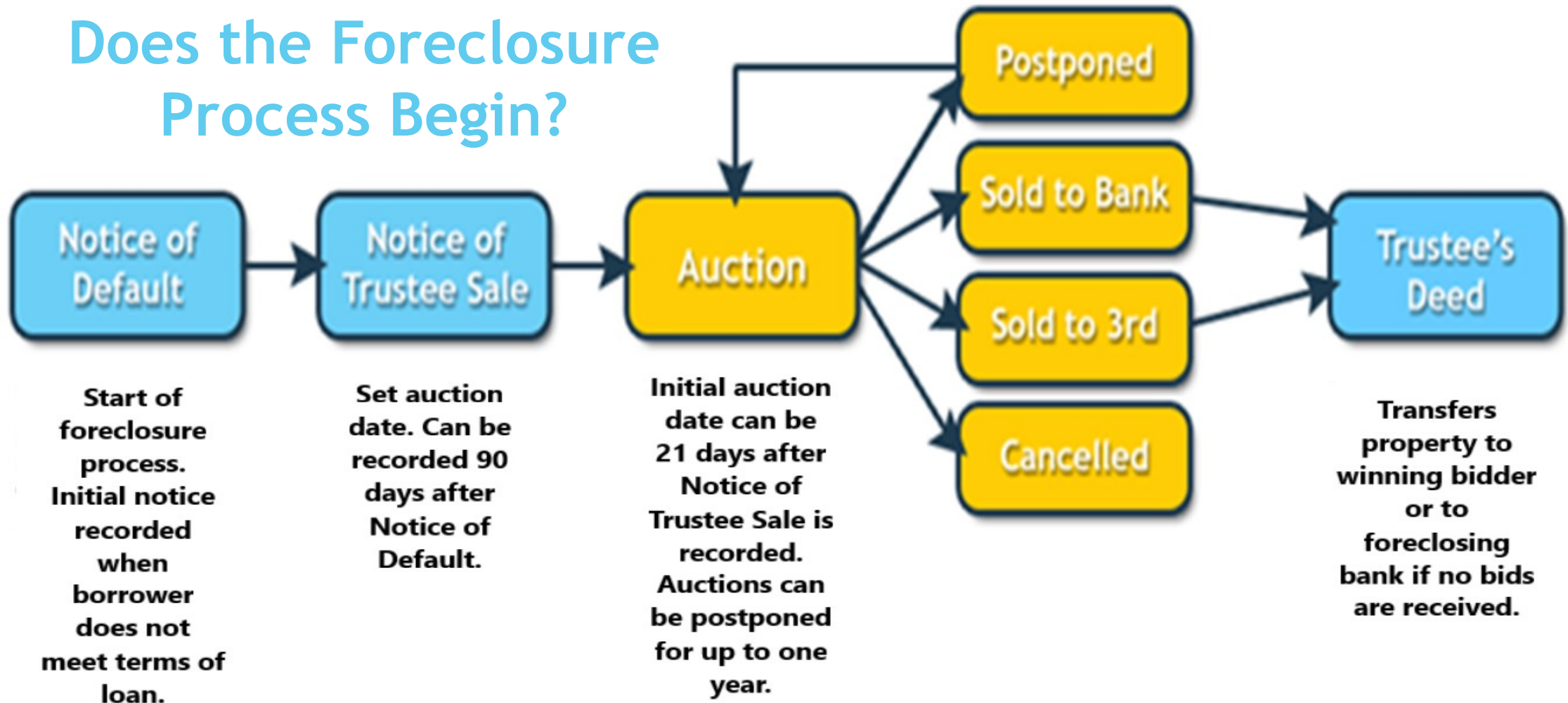
- Assist you in exploring your options and eligibility for temporary relief
- Explain to you the alternatives to foreclosure
- Update you about LA County's Temporary Eviction Moratorium and Rent Freeze
- Direct you to Rent Stabilization Unit for rent resolution, relief and other services
- **Inform you of common foreclosure prevention scams and how to avoid it**

Foreclosure Prevention and Real Estate Fraud Program is Here for YOU

3 Tenants

- Advise you of your rights as a tenant in foreclosure
- Support you in negotiating Cash for Keys and move out date
- Update you about LA County's Temporary Eviction Moratorium and Rent Freeze
- Direct you to Rent Stabilization Unit for rent resolution, relief and other services
- **Inform you of common foreclosure prevention scams and how to avoid it**

Foreclosure Process: How Does the Foreclosure Process Begin?



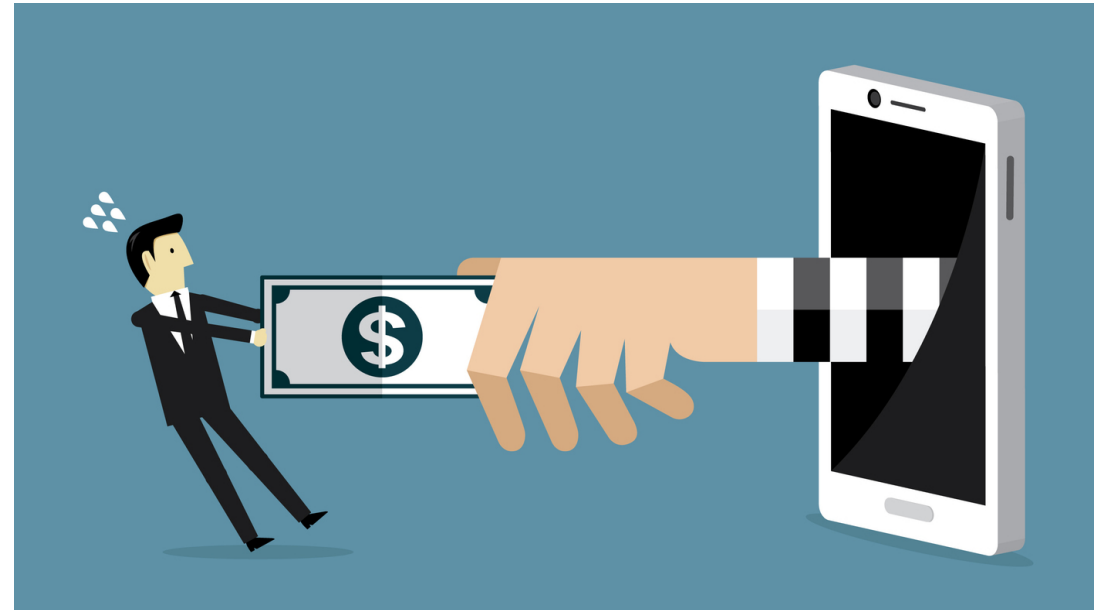
How Do Scammers Contact Homeowners?

- ▶ Foreclosures are public record in the State of California
- ▶ A person who calls himself a buyer stops at your door and convinces you to sell your property to him and take over your mortgage payments.
- ▶ Advertisements on TV, radio, ethnic media or billboards that offers to get you a loan without checking your credit report or financial condition.



How Do Scammers Contact Homeowners?

- ▶ A large number of phony counseling agencies that offer their services for an outrageous fee over the phone.
- ▶ Predatory lenders convince you to apply for low-interest mortgage loan over the Internet, extracting your Social Security numbers and bank accounts.
- ▶ Letters that you received from fake government agencies using real government logos convincing you to apply for refinancing at a low interest rate.



Common Scams

- ▶ Fake foreclosure rescue counseling
- ▶ Phony government loan modification programs
- ▶ Mass joinder lawsuit
- ▶ Signing the title of property without your knowledge
- ▶ Rent-to-own leaseback scam
- ▶ Short sale scam
- ▶ Filing bankruptcy without your knowledge



Identifying Foreclosure Rescue Scams

Homeowners

- ▶ Are pressured to sign over the Deeds to their property
- ▶ Told not to contact or to pay their mortgage directly to their lenders or servicers
- ▶ Receive mailings with a government stamp that refer them to non-governmental websites or sources

Scammers

- ▶ Requests payment prior to providing services
- ▶ Guarantees that the foreclosure can be stopped or a loan can be modified
- ▶ Request payment for Foreclosure Prevention Services

Avoiding Foreclosure Rescue Scams

- ▶ Homeowners should contact their lenders first
- ▶ DO NOT pay for foreclosure prevention services
- ▶ Seek Assistance from Department of Consumer and Business Affairs and other trustworthy Housing and Urban Development (HUD) agencies
- ▶ Never feel pressured to sign a document
- ▶ Check with the Department of Real Estate to see if the mailings are from legitimate companies
- ▶ Check for “red flags” on mailings from ‘government’ agencies

Avoiding Foreclosure Rescue Scams Continued: Red Flags



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To make these attached forms readable and fillable use this link

Avoiding Foreclosure Rescue Scams

Continued: Red Flags

Coto De Caza man gets 8 years for \$2 million home loan scam that targeted more than 500 people

SANTA ANA — A Coto De Caza man who in YouTube videos promised to help homeowners save their homes from foreclosure was sentenced Friday to eight years in prison after bilking more than 500 people out of \$2.2 million.

Kevin Frank Rasher, who earlier this year pleaded guilty to a dozen counts of mail fraud, was sentenced to 97 months behind bars and ordered to pay about \$2.24 million in restitution for the money he stole in a loan modification scam.

But U.S. District Judge Josephine L. Staton cautioned those who lost their money and homes to the scam should not hold out hope of reimbursement.

Where to Report Scams



Department of Consumer and Business Affairs
(800) 593-8222; dcba.lacounty.gov



Federal Trade Commission
www.ftccomplaintassistant.gov

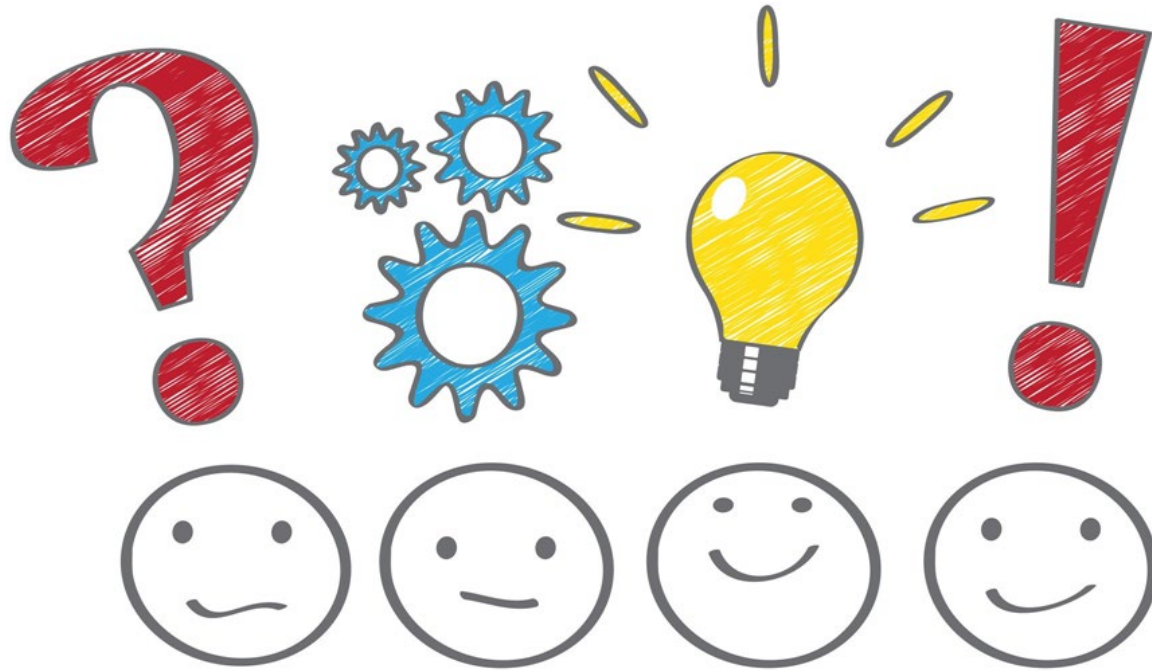


California Department of Real Estate
(877) 373-4542; <https://www.dre.ca.gov/Consumers/FileComplaint.html>

When to Contact an Attorney

- ▶ Bankruptcy
- ▶ Transfer of Title
- ▶ Sue the lender
- ▶ Any legal concerns





Questions?