



For Immediate Release
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MADIGAN REACHES SETTLEMENT WITH MORTGAGE RESCUE FIRM

Chicago - As part of her ongoing efforts to target scam artists committing mortgage fraud, Attorney General Lisa Madigan has successfully reached a settlement agreement with a Charlotte, North Carolina-based business operating a mortgage rescue scheme that falsely promised to help financially distressed homeowners who were facing foreclosure.

According to the settlement announced today, HomeSavers USA, Inc. and its CEO, David Moakler, will cease offering and accepting money for foreclosure rescue services in Illinois. Customers of HomeSavers USA have until March 21, 2008, to file a complaint with the Illinois Attorney General's office for full or partial refund of the fees they paid to the defendants.

"My office is working aggressively to help consumers who were defrauded by this company," Attorney General Madigan said. "I encourage consumers who were involved with this company to file complaints with my office."

The settlement is the result of a complaint that Madigan filed in January 2006 alleging that the company violated the state's Consumer Fraud and Deceptive Business Practices Act by failing to negotiate with lenders on behalf of its customers after falsely promising to do so.

Since filing this lawsuit, Madigan drafted a new Mortgage Rescue Fraud Act that took effect on Jan. 1, 2007, and made it illegal in Illinois to accept upfront foreclosure rescue fees. Since the law's enactment, Madigan has sued 11 mortgage rescue companies for violating the Act.

Madigan urged Illinois homeowners who are facing foreclosure to avoid these rescue fraud companies and to contact their mortgage company or a HUD-certified housing counselor. To learn more about the steps that they can take to avoid foreclosure, homeowners can call Madigan's **Homeowners' Referral Helpline** at 1-866-544-7151 from 8 a.m. to 7 p.m. Monday through Thursday and 8 a.m. to 5 p.m. on Friday.

Attorney General Madigan also directed homeowners to her Web site at www.IllinoisAttorneyGeneral.gov, to access an **Illinois Mortgage Lending Guide**, a resource manual containing step-by-step instructions for those struggling to make their loan payments and a list of HUD-certified counseling agencies that offer default counseling services.

Homeowners, who do not have easy access to the Internet, should call the Attorney General's Helpline and they can have the guide sent to them quickly by mail.

Assistant Attorney General Rebecca Pruitt handled the case for Madigan's Consumer Fraud Bureau.

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