



August 29, 2012

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**STATEMENT FROM ATTORNEY GENERAL MADIGAN ON  
FIRST PROGRESS REPORT ON NATIONAL FORECLOSURE SETTLEMENT**

**Chicago** — In responding to the first report issued by the national foreclosure settlement's independent monitor, Attorney General Lisa Madigan today outlined the direct relief Illinois borrowers have begun to receive as a result of the \$25 billion settlement reached earlier this year with the nation's five largest bank mortgage servicers over allegations of widespread "robo-signing" and other fraudulent practices involved in servicing loans of struggling homeowners.

The independent monitor was appointed to oversee compliance with the terms of the settlement reached with Bank of America, JPMorgan Chase, Wells Fargo, Citibank and Ally Bank, formerly GMAC. The monitor's report covers compliance activities from March 1 to June 30, 2012, and provides some indication that Illinois borrowers are beginning to receive relief under the settlement.

In the first few months of the settlement's implementation, 5,268 Illinois consumers have already received more than \$357 million in relief, which equates to an average of \$67,817 in direct assistance per borrower, in the form of principal reductions and refinancing for underwater loans. In an analysis of the monitor's first report, the Attorney General's office determined that Illinois ranks among the top five states for the amount of relief directed to homeowners, and the state ranks fourth in the total number of borrowers who've received assistance.

**Statement from Attorney General Madigan:**

"I am cautiously encouraged by the initial progress reported by the independent monitor. In just a few months since we brokered this settlement, we're starting to see real results for Illinois families. Of course, there is still much work to be done to help homeowners in need. I will continue to monitor the banks' efforts to fulfill their obligations under this settlement, as my office continues its work to hold banks and other financial institutions accountable for the destruction they've caused in our communities."

**Foreclosure Settlement Grant Funds Reaching Illinois Communities**

In addition to the direct relief for Illinois borrowers, the Attorney General's office will recover money from the banks to counteract the effects of historic levels of foreclosures on homeowners and communities, including funding for legal aid services, housing counseling, outreach to borrowers, housing policy development and community revitalization.

Already, Madigan has committed \$20 million of those funds for legal assistance programs. Yesterday, Madigan announced a \$4.7 million grant to the Legal Assistance Foundation of Metropolitan Chicago (LAF) to provide much-needed legal services to struggling homeowners in Chicago and suburban Cook County, and last week, Madigan distributed \$4.5 million to the Land of Lincoln Legal Assistance Foundation, which will assist homeowners in Central and Southern Illinois. The Attorney General's office is continuing to analyze grant proposals to meet the \$20 million commitment to legal aid groups, and it has also issued a request for proposals to award up to \$3 million in settlement funding to create new mortgage foreclosure mediation programs in Illinois counties where such programs currently do not exist.

For more information on the national settlement, contact Madigan's Homeowner's Helpline at (866) 544-7151, or visit her website, [www.illinoisattorneygeneral.gov/consumers/bankforeclosuresettlement.html](http://www.illinoisattorneygeneral.gov/consumers/bankforeclosuresettlement.html). Borrowers also can visit [www.NationalForeclosureSettlement.com](http://www.NationalForeclosureSettlement.com).

-30-

[Return to August 2012 Press Releases](#)

