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**MADIGAN ANNOUNCES \$620,000 GRANT FROM NATIONAL FORECLOSURE SETTLEMENT FUNDS FOR ONLINE LEGAL AID RESOURCES**

**Chicago** — Attorney General Lisa Madigan today announced that \$620,000 in funding from the national foreclosure settlement has been awarded to Illinois Legal Aid Online.

The Attorney General's grant will be used to develop web-based resources to assist Illinois homeowners and legal professionals dealing with foreclosure, including online training programs for legal staff and attorneys working with Illinois residents facing foreclosure. The grant also will be used to develop and enhance educational websites intended for homeowners and renters affected by foreclosure.

"This grant will give homeowners facing foreclosure online information about the court process, so they can understand and actively participate in their legal case as they try to save their homes," Madigan said.

Founded in 2001, Illinois Legal Aid Online serves as a statewide online resource for legal assistance. The organization provides state-of-the-art multimedia training, easy-to-use interactive legal documents and forms, foreign language resources and online collaboration tools for Illinois residents and legal assistance organizations.

"The mortgage foreclosure crisis has spared no demographic or geographic group," said Illinois Legal Aid Online's Executive Director, Lisa Colpoys. "The Attorney General's unparalleled support will allow us to leverage technology in innovative ways to assist tens of thousands of homeowners and renters across Illinois, especially in areas where legal resources are scarce or out of reach."

The funding stems from Madigan's role in securing a \$25 billion national settlement in February with the nation's five largest bank mortgage servicers – Bank of America, JPMorgan Chase, Wells Fargo, Citibank and Ally Bank, formerly GMAC. The settlement addressed allegations of widespread "robo-signing" of foreclosure documents and other fraudulent practices bank servicers engaged in while servicing loans of struggling homeowners.

As part of the national settlement, Madigan's office recovered money from the banks to remediate the historic levels of foreclosure in Illinois. Today's announcement is among the first series of distributions of that funding, which as a whole will benefit legal assistance programs, housing counseling services and community revitalization efforts. Madigan announced in April she would commit to distribute \$20 million of the funds recovered in the settlement to legal aid services. The Attorney General's office is continuing to analyze grant proposals toward that goal.

In addition to the cash payments directed to the state, Illinois borrowers will receive an estimated \$1 billion in direct relief as a result of the national settlement to assist those who have lost their homes, are underwater or at imminent risk of defaulting on their mortgages. The settlement will also completely overhaul mortgage servicing standards to prevent future abuses by lenders.

Consumers seeking more information on the national settlement can 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).

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