



Press Releases

November 19, 2012

MADIGAN: ILLINOIS IN TOP 5 STATES FOR RELIEF TO HOMEOWNERS FROM NATIONAL FORECLOSURE SETTLEMENT

Chicago — In responding to the second report issued by the national foreclosure settlement's independent monitor, Attorney General Lisa Madigan today outlined the direct relief Illinois borrowers have received 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 Sept. 30, 2012, and details how much relief Illinois borrowers have received under the settlement.

In the first six months of the settlement's implementation, 11,273 Illinois consumers have already received more than \$779 million in relief, which equates to an average of \$69,168 in direct assistance per borrower, in principal reductions, refinancing for underwater loans and other relief. In an analysis of the monitor's report, the Attorney General's office determined that Illinois ranks among the top 5 states for the amount of relief directed to homeowners.

"More than six months into the implementation of the settlement, the banks' progress in providing the required relief couldn't come soon enough for struggling homeowners. We continue to be inundated with requests for assistance from Illinois homeowners," Attorney General Madigan said.

Additional Sources of Assistance for Illinois Homeowners

In addition to the direct relief for Illinois borrowers, the Attorney General's office has recovered 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. Madigan urged distressed Illinois homeowners to call their regional legal aid office to learn more about the services and resources offered in their area:

Chicago Residents:

LAF (Legal Assistance Foundation of Metropolitan Chicago)

312-341-1070

<http://www.lafchicago.org/>

Northern and Western Illinois Residents (Outside City of Chicago):

Prairie State Legal Services

815-965-2134

<http://www.pslegal.org/default.asp>

Southern Illinois Residents:

Land of Lincoln Legal Assistance Foundation

618-398-0574

<http://www.lollaf.org/office.html>

For homeowners with more questions about the national settlement, they should contact Madigan's Homeowner's Helpline at 866-544-7151, or visit her website, www.illinoisattorneygeneral.gov/consumers/bankforeclosuresettlement.html. Borrowers also can visit www.NationalForeclosureSettlement.com.

Stay on the Lookout for Scams

Madigan also urged caution for homeowners seeking relief and warned them to be on the lookout for scammers trying to exploit homeowners by indicating they may be eligible for settlement relief or mortgage assistance if they make an upfront cash payment—a telltale sign that the offer is a scam. Madigan has filed 50 lawsuits against these so-called mortgage “rescue” schemes in which the operators target desperate homeowners on the verge of foreclosure, claiming that for a hefty upfront fee, the scam operators can save a distressed borrower’s home by negotiating a deal with a homeowner’s lender, when in reality, the scammers do nothing as promised, causing the homeowner to fall further behind on their mortgage and putting them on a faster track toward foreclosure.

Madigan urged struggling homeowners to avoid such solicited calls and offers and instead to contact her Homeowner Helpline, 866-544-7151, for assistance in finding free, legitimate help through a housing counselor certified by the U.S. Department of Housing and Urban Development.

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