

Who to Contact:

**HUD-approved
Housing Counseling
Agency**

hud.gov
(800) 569-4287

**California Attorney
General**

oag.ca.gov

**National Mortgage
Foreclosure
Settlement**

nationalmortgage
settlement.com

Get involved!

Sign up for our e-newsletter and get updates on upcoming events – come out and make your voice heard! **karenbass.house.gov/newsletter**

Contact Info:



U.S. Representative
KAREN BASS

Capitol Office:
408 Cannon Building
Washington, DC 20515
(202) 225-7084 phone
(202) 225-2422 fax

Los Angeles District Office:
4929 Wilshire Blvd, Suite 650
Los Angeles, CA 90010
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You can also email me through my website at:
karenbass.house.gov/contact-me/email-me

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FORECLOSURE

**HOME
FOR
FORECLOSURE
RESOURCES**

A Message From U.S. Representative Karen Bass

There's no doubt that California has been hit extremely hard by the foreclosure crisis. In fact, in 2011, seven of the 10 hardest hit cities were in California. While there are signs of relief in the housing market, federal and state officials have also recently debuted several programs which are meant to provide aid to homeowners and give restitution to mortgage holders who were victims of predatory lending practices.



Please use this information as a guide to learn how federal and state officials are working to protect our state's homeowners.

Karen Bass



U.S. Representative
KAREN BASS
Serving California's 33rd District



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TO DATE, California homeowners can benefit from a comprehensive plan in response to our state's foreclosure and mortgage crisis, which includes:

- **Mortgage Fraud Strike Force** – Investigates and prosecutes misconduct at all stages of the mortgage process
- **California Homeowner Bill of Rights** – Provides a clear set of rules to protect homeowners
- **\$18 billion Foreclosure Settlement** – Compensates homeowners who were victims of predatory lending practices

KNOW YOUR RIGHTS CALIFORNIA'S HOMEOWNER BILL OF RIGHTS

On July 11, 2012, the California Homeowner Bill of Rights was signed into law, in an effort to bring fairness, accountability and transparency to the state's mortgage and foreclosure process. The new reforms include:

- **Dual Track Foreclosure Ban** – Mortgage servicers will now be required to give homeowners a decision on their loan modification application before advancing the foreclosure process.
- **Single Point of Contact** – Mortgage servicers are required to designate a single individual or team for a homeowner to contact with questions in order to prevent borrowers from being referred to several servicers who are not aware of a specific case.
- **Verification of Documents** – Lenders who record and file multiple unverified documents will be subject to a civil penalty of up to \$7,500 per loan in civil court.
- **Enforcing Rights** – Borrowers can seek compensation for violations of the California Homeowner Bill of Rights.

\$25 Billion Nationwide Foreclosure Settlement

Earlier this year, the U.S. Departments of Justice and of Housing and Urban Development announced a landmark \$25 billion agreement with **Bank of America Corp., JPMorgan Chase & Co., Wells Fargo & Company, Citigroup Inc., and Ally Financial Inc.** (formerly **GMAC**) to seek relief for homeowners who were victims of foreclosure abuses and provide new protections for future homeowners. California received \$18 billion to compensate homeowners whose mortgage servicers participated in "robo-signing", deceptive practices during modifications, failing to offer alternatives to foreclosure and filing improper documentation in federal bankruptcy court.

Mortgage Foreclosure Settlement Qualifying Criteria:

1. Your mortgage loan must be serviced by one of the following banks: Bank of America Corp., JPMorgan Chase & Co., Wells Fargo & Company, Citigroup Inc., and Ally Financial Inc. (formerly GMAC).
2. In general, you must have either missed a mortgage payment or be at risk of doing so.
3. Your home must have a loan to value ratio of at least 100 percent, prior to any loan modifications. Essentially, this means that you must owe at least what your home is worth. If your home is worth \$300,000, your loan balance must be at least \$300,000 to qualify.
4. The home loan you are seeking to modify must be your primary residence.
5. Pass a Net Present Value Test. A Net Present Value Test is a complex calculation developed by the U.S. Treasury Department that loan servicers use to determine risk level for the bank when homeowners are being considered for a loan modification through the Home Affordable Modification program.

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