

Beware of Mortgage Scams Targeting Elders

The economy has had a detrimental effect on homeownership. Unemployment and underemployment have made it tough for many homeowners to maintain current mortgage payments. In attempts to get assistance and avoid foreclosure, vulnerable homeowners become prime targets for scam artists who are taking advantage of people through a wide array of mortgage scams. For homeowners in need of assistance, now is the time to be more vigilant than ever.

Through December 31, 2011, the Federal Bureau of Investigation (FBI) had more than 2,500 pending investigations into mortgage fraud around the country. Although the scope of losses for homeowners, legitimate businesses and to the economy caused by mortgage fraud are difficult to calculate, CoreLogic, a research and analytics company, has estimated that losses due to mortgage fraud in 2011 were \$7.4 billion.

Scams from All Sides

There are many variations of mortgage scams, but the goal is

MORTGAGE SERVICING

Marie Day

the same: take money and even property from unaware homeowners. Some scammers guarantee

future. Still others may claim that they could help expedite short sales.

Some swindlers have even used direct mail with prominent use of the lender's name to gain the trust of customers and trick them into believing an offer for assistance is

Homeowners looking for help to avoid foreclosure are primary targets

that they can negotiate a loan modification with your lender for an up-front fee. Others claim they are affiliated with government agencies and the new loan modification programs. Some fraudsters say they can conduct forensic loan audits to determine whether loans were made in accordance with federal and state mortgage lending laws. Other schemers convince homeowners to surrender the title or deed of their homes in exchange for a new "rescue" loan, or as part of a deal that would let the homeowners rent the home for a few years and then have the ability to repurchase the home in the

from their lender. Since homeowner names, addresses, lender names and original mortgage loan amounts are available to anyone

through public real estate records, con artists use this information to create direct mail pieces that confuse potential victims into thinking that they are dealing with their lender.

File complaints with the Federal Trade Commission at www.ftc.gov/complaint or call them at 877-FTC-HELP

Protect Yourself and Get Assistance

In order to protect yourself from scammers, always be on the lookout for key warning signs. Fraudsters might:

Request payment or charge fees in advance.

Guarantee results.

Direct homeowners to stop making mortgage payments and instead make a payment to a third-party organization.

Tell homeowners that they cannot deal with their lender directly.

Request that a homeowner sign over the deed or other papers.

If you are having financial difficulties in paying your mortgage, you should contact your lender and a housing counselor approved by the U.S. Department of Housing and Urban Development (HUD). HUD-approved counselors can provide assistance free of charge, or for a nominal fee. A list of counseling agencies near you can be found at www.hud.gov. If you have doubts whether direct mail that claims to be from your lender is legitimate, call your lender directly and confirm it. And finally, if you think you have been scammed, you should file a complaint with the Federal Trade Commission online at www.ftc.gov/complaint or call them at 877-FTC-HELP. Scammers are working hard to take advantage of people in distress. It's imperative that you get informed and take precautions to not become their next victim.

By Marie Day, Residential Mortgage Default Servicing and Community Outreach Executive, Wells Fargo

Ask for personal information over the phone or email.

Pressure the customer to perform a specific action.

National Urban League to Nike: Just Don't Do It



TO BE EQUAL

Marc Morial

promotion of misdirected priorities to our children, and the potential and sometimes real violence associated with this type of marketing campaign. Following is a copy of that letter.

August 24, 2012

Mark Parker
President & Chief Executive Officer
Philip H. Knight
Chairman of the Board of Directors
Nike, Inc.
One Bowerman Drive
Beaverton, OR 97005-6453

Mr. Parker and Mr. Knight:

In light of the recent news that Nike plans to release a \$315 basketball shoe, I ask that you pause to reflect on the implications of your decision during this fragile economic recovery.

It's no accident that Nike is a coveted brand among the nation's urban youth. It's no secret that the frenzy surrounding Nike product launches repeatedly results in eruptions of violence. Obsession with the Nike brand in poverty-stricken communities, according to published reports has led to muggings, beatings, and worse.

With unemployment and its attendant hopelessness and desperation at historic highs in the very communities targeted by Nike's aggressive marketing, now is the time to step back and consider the true impact of this kind of campaign. To release such an outrageously overpriced product, designed to appeal to a young, urban demographic, while the nation is struggling to overcome an unemployment crisis is insensitive at best.

Nike may well assure itself that it is not responsible for the priorities and values of its customers, but it can choose to address the negative consequences of its own marketing. In recent years, Nike's award-winning advertising has promoted a message of personal achievement and self-esteem. That message is undermined by Nike's appeal to shallow materialism.

As you are aware, in our public statement earlier this week, we called upon parents to resist the pressure to purchase expensive

sneakers when those dollars would best be spent on school supplies, books or computers. They ultimately are responsible for the choices they make for their children, and for the values they instill in them. But good corporate citizens and responsible community members should help, not hinder parents in their efforts.

Please reconsider your plans for the

LeBron X Nike Plus, and join the National Urban League in our efforts to empower young people to value their own talents – athletic and otherwise – above empty status symbols, and work together for broader access to the economic mainstream.

Sincerely yours,
Marc H. Morial

“The economy continues to fall apart, unemployment rates are through the roof and Nike knows that the kids are strung out. So they just keep mass marketing high-priced cool to those who can't afford it.”

- Stephen A. Crockett, Jr., Washington Post

In recent weeks, on behalf of the National Urban League, I have been urging Nike to

That message is undermined by Nike's appeal to shallow materialism

reconsider its plans to market a new basketball shoe targeted to urban youth that will be priced in the neighborhood of \$300. We understand that adolescence is a time dominated by peer pressure, the emulation of celebrities and the need to fit. This often leads to equating self-esteem with material status symbols, including high-priced sneakers. Aside from the misplaced values this represents, it can have devastating consequences for low income urban families. All of us – from parents and children to corporations – have a responsibility to recognize this problem and do something about it. On August 24th, I sent a letter to Nike company officials outlining our opposition to the upcoming release of their latest overpriced basketball shoe. Our objections include the economic exploitation of low-income youth and their families, the