



## **PREDATORY LENDING & FORECLOSURE RESCUE SCAMS**

Predatory lending occurs when a mortgage broker or lender intentionally sells a consumer an unaffordable, unfair loan.

### **FOLLOW THESE TIPS TO PROTECT YOURSELF:**

- Determine what you can afford, and don't buy over your limit.
- Use HUD-certified credit counselors and attend homebuyers' education seminars.
- Shop around with reliable lenders and don't give in to high pressure sales tactics.
- Take your time, ask questions and read the fine print.
- Never sign documents that you don't understand or have blank spaces.
- Beware of the following:
  - loans connected to an unsolicited home improvement contract.
  - loans made solely on the equity value of your home, not your ability to repay.
  - high interest rates, greatly above current market rates.
  - interest only, non-amortizing or partially amortizing loans.
  - non-refundable or excessive application fees.
  - inflated appraisals.

## **FORECLOSURE RESCUE SCAMS**

If you're having trouble making your mortgage payment beware of scammers promising to negotiate with your lender or buy your house and lease it back to you until you can afford your payments. Despite their claims, these phony companies will not save your home from foreclosure, and you will risk losing your equity and your home if you do business with them.

### **IF YOU FACE FORECLOSURE:**

1. Call your lender.
2. Stay in your home.
3. Open your mail.
4. Beware of scams.

For foreclosure assistance, contact Save the Dream at [savethedream.ohio.gov](http://savethedream.ohio.gov) or call (888) 404-4674.

For more information, or to file a complaint if you think you're a victim of a scam, contact the Ohio Attorney General at [SpeakOutOhio.gov](http://SpeakOutOhio.gov) or call (800) 282-0515.

