



Neighborhood Housing Services
of Kansas City



For Immediate Release

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Neighborhood Housing Services of Kansas City Urges Borrowers Not to Pay for Foreclosure Help, Offers Homeowners Tips to Avoid Foreclosure “Rescue” Scams

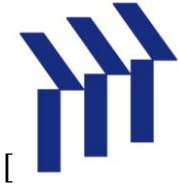
Kansas City, Missouri – With foreclosure filings reportedly reaching record numbers this summer, Neighborhood Housing Services reminds homeowners in danger of foreclosure that they should never pay for help, and should instead seek assistance from HUD-approved nonprofit housing counseling agencies, like Neighborhood Housing Services and those found at www.findaforeclosurecounselor.org and www.makinghomeaffordable.gov.

“Rescue scams are proliferating at a rapid pace and more homeowners are falling prey to the slick advertising and sales pitches that guarantee to keep them in their homes,” said Mark Stalsworth, President/CEO of Neighborhood Housing Services, a local NeighborWorks organization. “Everyone on both sides of the state line needs to know that it is illegal in Missouri and Kansas for anyone to collect a fee from them to help them start the process of avoiding foreclosure.”

Foreclosure rescue scam artists frequently demand upfront payment for their services and “guarantee” to modify, refinance, or reinstate a borrower’s mortgage. The payment demanded can be anywhere from \$1,000-\$5,000, as was the case for a homeowner in South Kansas City. After paying \$2,000 for help the homeowners were told by the scam artist that they did not need to call their lender, and that they should disregard any mail from their lender. The homeowner waited too long to seek legitimate help, and the homeowner lost the home is foreclosure.

“If you are facing foreclosure, do not pay any person or company up front for services,” said Marjorie Major, Foreclosure Counseling Manager for Neighborhood Housing Services. “Homeowners facing foreclosure need to be aware that foreclosure rescue scam artists are out in full force and see this as a prime opportunity to make money. When it comes to foreclosure assistance, the old adage ‘you get what you pay for’ does not apply. If you are facing foreclosure, contact a HUD-approved nonprofit housing counseling agency, like NHS to receive foreclosure counseling. A certified foreclosure intervention counselor is a homeowner’s best defense against foreclosure.”

Neighborhood Housing Services urges homeowners not to pay a person or company for foreclosure help, and offers borrowers the following tips to avoid foreclosure rescue scams:



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- Never use any ad, person, or company that approaches you and claims to be able to “stop foreclosure now” for a fee.
- Never release your financial information online or over the phone to a company you know nothing about.
- Never send your mortgage payment, or any payment, to a company other than your mortgage lender.
- Visit www.findaforeclosurecounselor.org to find HUD-approved organizations that offer free, legitimate foreclosure counseling.
- If you prefer to speak to a counselor over the phone, call the Neighborhood Housing Services Hotline at 816-888-7703 Ext.213 for free foreclosure prevention counseling by expert counselors at this HUD-approved nonprofit counseling agency.
- Contact your mortgage lender. Contrary to what a foreclosure scammer will tell you, you should contact your lender the minute you have trouble making your monthly payment.
- If you suspect a scammer has approached you or victimized you, contact your local Better Business Bureau or state attorney general’s office. In addition to reporting a scam locally, you can file a complaint with the Federal Trade Commission (FTC). To file a complaint in English or Spanish, visit the FTC’s online Complaint Assistant: <https://www.ftccomplaintassistant.gov/> or call 877-FTC-HELP (877-382-4357).

For more information about foreclosure prevention, or to make an appointment to meet with a counselor, please call, 816-822-7703 Ext 213.

About Neighborhood Housing Services

Neighborhood Housing Services is a not for profit Community Development Corporation dedicated to improving the quality and sustainability of Kansas City neighborhoods. For more information, please call 816-822-7703 or visit our website at www.nhsofkcmo.org. NHS is a NeighborWorks® Charter member.

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