

Is it real legal help or a foreclosure scam?

You can protect yourself from foreclosure rescue scams.

How can you tell if someone is offering you real legal help? There are legal services lawyers and other licensed lawyers who give valuable legal help to consumers facing foreclosure. But there are also many scam artists who take advantage of homeowners looking for help. How do you recognize a scam before it's too late?

Red Flags

A lawyer or someone offering legal help wants you to pay first - before you get the modification or other workout option that was promised.

A licensed lawyer can ask you to pay first but **ONLY** if the lawyer is licensed in the state where you live or in the state where your house is located. Anyone else who offers foreclosure relief services is breaking the law if they ask for any kind of money before you actually get a modification or relief from your mortgage company.

A lawyer or someone offering legal help guarantees that you will get a loan modification.

No one can truthfully guarantee that you will get a modification. Your mortgage company must agree before you can get a modification.

A lawyer you don't know calls or e-mails you and wants you to hire him or her.

Call or check online with your state bar association to see if you're dealing with a licensed lawyer. Ask if a lawyer is allowed to call or write you to try to get your business.

Questions to ask

Will I meet with my lawyer in person?

Companies promising legal help may not employ any lawyers. Or they may have a single lawyer claiming to represent thousands of people. If you are being asked to pay legal fees but have never met with an actual lawyer, ask more questions!

Is the office in my state and is the lawyer licensed to practice law in my state?

Before you pay any fees to a lawyer or pay for "legal" help, find out if you're dealing with a licensed attorney and where he or she is located. If the lawyer is not in your state or you send your documents and payments to an office that is not in your state, a lawyer may not actually be representing you. Your state bar association licenses or regulates lawyers practicing in your state. Contact your state bar association to find out if a lawyer is licensed to practice law in your state. You can also find out if your lawyer has been disciplined for misconduct.

How much good will it do me to hire this lawyer?

A lawyer or person promising legal help who does not represent your interests may simply charge you a large fee for mailing documents for you or for sending you information that your servicer or a HUD-approved housing counselor will provide for free. These are things that might be just as effective for you to do yourself. Ask for a written description of the legal services that will be provided.

Ask questions

If you need it, you can find more information at: consumerfinance.gov/askcfpb/278/what-if-i-do-not-qualify-for-a-loan-modification-programs-or-any-other-help.html.

Remember, getting help that may allow you to stay in your home is available from your mortgage servicer or a HUD-approved housing counselor at no cost to you. To find a counselor visit consumerfinance.gov/find-a-housing-counselor.