



County of Los Angeles
Department of Consumer Affairs
Information Sheet



Foreclosure Rescue Scams

If you're facing a foreclosure, you'll need help. But thieves will prey on homeowners in need. They're like wolves in disguise. They claim to help, but often they will rip you off.

Beware of these common scams:

The 'wolves' will say: "Ignore the notices. Just pay me and I'll negotiate with your lender."

What really happens: They take your money, but don't call your lender. Or they'll have you work with their "in-house" lawyer, who's in on the scam. Then your house gets foreclosed and you're out of luck.

DCA's tip: Never ignore notices. Talk to [your lender](#) and call DCA for free help.

"Give me money to file a bankruptcy. That stops the foreclosure."

What really happens: A bankruptcy can delay the [foreclosure](#) but it won't stop it. They'll take your money but won't file anything. If they do file a case, they won't follow up and you will lose your home.

DCA's tip: If you're thinking of bankruptcy, contact a legitimate attorney.

"Sign these papers, and we'll take care of everything."

What really happens: The papers you sign deed the house to them. They sell the house without your knowing or take loans on it. Your house gets foreclosed anyway.

DCA's tip: Don't [sign](#) anything you don't understand. Call DCA for free help.

"Deed the house to me and pay me rent. I'll pay the mortgage, and sell it back to you."

What really happens: They don't pay your mortgage. Your house gets foreclosed. You get evicted.

DCA's tip: Don't deed your house over to anyone. It's a bad idea and you'll end up [losing your home](#).

Red Flags

If you need help in preventing a foreclosure, avoid any business that:

- Contacts you by phone, mail or door-to-door.
- Guarantees to stop the foreclosure or promises it will be quick and easy.
- Tells you not to contact your lender, lawyer, or credit or housing counselor.
- Encourages you to lease your home so you can buy it back later.
- Tells you to make your mortgage payments directly to them instead of your lender.
- Claims to be honest because he is the same religion, race or ethnicity as you.
- Offers "testimonials" from other customers.
- Asks you to transfer your property deed or title to them.
- Pressures you to sign paperwork you haven't read or that you don't understand.

Where to get real help

- **Call DCA.** All of our services are free. Call us at (800) 973-3370.
- **Talk to your lender.** Many lenders have new programs for homeowners in financial need.
- **Contact a HUD-approved housing counselor.** A housing counselor can negotiate with your lender. Call (888) 995-4673 or go [here](#) to find one.

[Contact us](#) for more information or speak with one of our counselors at (800) 973-3370. If you live outside of Southern California, call us at (213) 974-1450.

For more information:

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