



NAPA COUNTY DISTRICT ATTORNEY'S OFFICE

1127 First Street, Suite C
Napa, CA 94559

Main: (707) 253-4211
Fax: (707) 253-4041
www.countyofnapa.org/da

ALLISON HALEY
District Attorney

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PRESS RELEASE

CALIFORNIA HOMEOWNERS COVID-19 CONSUMER ALERT

Napa County District Attorney Allison Haley issued a consumer alert to Napa County residents regarding coronavirus-related fraud against homeowners. While the District Attorney's Office investigates and prosecutes fraudulent practices, awareness and education are the best protection against scams. To protect yourself, verify that any person you share financial information with is licensed, legitimate and qualified. The District Attorney's Office is publishing the complete California Department of Real Estate Fraud Warning notice on our webpage.

As homeowners seek relief due to financial impacts of COVID-19, loan modification and forbearance are ways to potentially save your house. However, loan modification and foreclosure rescue scams are currently circulating around the country. The District Attorney's Office advises all homeowners to be cautious and read the warning notice to help prevent unscrupulous criminals from making your situation worse.

A loan modification or forbearance is where you and your lender or loan servicer agree to modify the terms of your home loan. This could be a lower interest rate, extension of the length of time to pay back the loan, reducing or postponing some of your payments, or any other change of loan terms. Scammers often falsely claim that they can guarantee a loan modification or forbearance or stop your foreclosure. They make bold statements about their successes, publicize their supposed expertise, ask for money up front, and then take your money and leave you in worse shape than before. Remember, if it sounds too good to be true, it probably is too good to be true. Legitimate loan modifications are not always possible for every homeowner.

To protect yourself, you can contact your lender directly and do it yourself for free, consult a free counselor through U.S. Dept. of Housing and Urban Development (www.hud.gov), or work with a legitimate, licensed and qualified representative. This includes California licensed real estate brokers (www.dre.ca.gov) and licensed attorneys who represent you (www.calbar.gov). You are encouraged to check their license records and the Better Business Bureau (www.bbb.org) to see if they have received any complaints. It is illegal for *anyone* to charge any advance, up-front or retainer fee for loan modification or forbearance services.

Anyone who has been the victim of such a scam, or who has information regarding a potential illegitimate loan modification or foreclosure rescue, is encouraged to immediately file a complaint the District Attorney's Office by going to our website (<http://www.countyofnapa.org/da/consumerdivision>) or by calling (707) 253-4059. Even though our office cannot represent individuals, we may, on behalf of the public, investigate or prosecute someone who has engaged in illegal conduct.

The full length document entitled "Real Estate Fraud Warnings 2020" can be viewed on the District Attorney Media Center webpage at <https://www.countyofnapa.org/1335/Media-Center>