




GREGORY D. TOTTE
District Attorney

NEWS RELEASE

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COVID-19 Mortgage Forbearance Warning

VENTURA, California – District Attorney Gregory D. Totten warned today that county residents should be extra vigilant about mortgage, forbearance, and loan modification scams as financial predators seek to exploit the current COVID-19 pandemic. As a result of the economic fallout from the COVID-19 virus, last month alone, mortgage forbearance requests increased by approximately 2000 percent. Such conditions are ripe for financial predators seeking to exploit desperate homeowners with false promises of assistance to delay their overdue mortgage payments.

The District Attorney recommends the following tips to avoid becoming a victim of this type of fraud:

- Never pay any person or business for mortgage or forbearance assistance, including the negotiation of a new, lower mortgage payment. It is unlawful for any entity to charge an advance fee to negotiate on a borrower's behalf with a lender. Borrowers should contact their lender directly to discuss forbearance options, and never go through a third party.
- Never sign a deed that transfers any portion of home ownership to another person or entity as part of a mortgage assistance or forbearance scheme.
- Never make any portion of a mortgage payment to anyone other than your lender. Such payments are never passed on to the lender and this often unnecessarily triggers foreclosure proceedings that otherwise may never have commenced.
- Never stop making mortgage payments to your lender on the advice of a mortgage or forbearance "expert."
- Be wary of mailed or telephonic advertisements promising mortgage or forbearance assistance. Legitimate assistance will not come to a borrower, it must instead be sought out.

- Homeowners struggling to pay their mortgage payment should contact their lender directly to learn what assistance programs may be available.

The Department of Housing and Urban Development has also announced that the Federal Housing Administration is offering various mortgage relief options for FHA mortgage borrowers affected by the COVID-19 crisis. Details are available at www.hud.gov/answers.

Finally, county residents that need further information on mortgage forbearance scams can contact the District Attorney's Office Real Estate Fraud Unit directly at (805) 662-1750, or obtain a complaint form at the District Attorney's website located at www.vcdistrictattorney.com.

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The Ventura County District Attorney's Office is the public prosecutor for the county's 850,000 residents. The office employs approximately 280 employees including attorneys, investigators, victim advocates, and other professional support staff who strive to seek justice, ensure public safety, and protect the rights of crime victims.

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