



Independent Foreclosure Review Webinar

Helping Homeowners

Request a Review

March 6, 2012

*Support provided by the Federal Reserve Board of Governors and
the Office of the Comptroller of the Currency.*

<http://www.independentforeclosurereview.com/>



Welcome



- Introductions

- Hosted by the Federal Reserve Bank of San Francisco, in partnership with the Federal Reserve Board and the Office of the Comptroller of the Currency (OCC).
- Training presentations by Don Wansten and Bill Cushard, Independent Consultants.
- We wish to thank the counseling and legal aid agencies that assisted with the development of this webinar.



Welcome



- Welcome

- Today’s webinar will be recorded and made available on the Federal Reserve Board’s website for future download.
- To send a question or comment to the presenters, or for technical support, notify us by:
 - Typing information into the “Ask a Question” box and click “Submit”
 - Sending an email to cca.policy.webinar@frb.gov
 - If you are unable to connect via webcast, a toll-free teleconference line is available: **(888) 669-0684**





Welcome

- Training Purpose
 - To provide information to housing counselors and other advisors to assist borrowers with completing the Request for Review Form.

- Today's Agenda
 - Overview of the Independent Foreclosure Review
 - Request for Review Form (section-by-section guidance)
 - Q&A





The Independent Foreclosure Review

- In April 2011, the Federal Reserve Board, the OCC and the OTS issued enforcement actions against 14 large mortgage servicers for deficient servicing and foreclosure practices.
- A foreclosure review, conducted by an independent consultant, is required as a result of the enforcement actions.
- The Independent Foreclosure Review process is designed to identify borrowers who were financially harmed as a result of servicer errors, misrepresentations, or other deficiencies.
- The Independent Foreclosure Review is for eligible borrowers in active, pending or completed foreclosures in 2009 and 2010.

Eligibility Criteria (all must be met to be eligible)

- 1. Primary Residence (Where borrower lived most of the year)*
- 2. Active in the foreclosure process during Jan. 1, 2009 – Dec. 31, 2010*
- 3. Mortgage serviced by one of 14 servicers or affiliates (see slide #8)*

- If direct financial harm is found, then there will be a determination on the appropriate remedy.



www.IndependentForeclosureReview.com



New Deadline

Requests must be postmarked no later than **December 31, 2012.**

NEW, EXTENDED DEADLINE





Role of the Independent Consultant

- The role of the independent consultant is to review the file and determine whether the borrower suffered any direct financial harm.
- The independent consultants played no role in servicing the mortgage loans or in the foreclosure process.





List of Covered Mortgage Servicers

- America's Servicing Co.
- Aurora Loan Services
- BAC Home Loans Servicing
- Bank of America
- Beneficial
- Chase
- Citibank
- CitiFinancial
- CitiMortgage
- Countrywide
- EMC
- EverBank/EverHome Mortgage Company
- Financial Freedom
- GMAC Mortgage
- HFC
- HSBC
- IndyMac Mortgage Services
- MetLife Bank
- National City Mortgage
- PNC Mortgage
- Sovereign Bank
- SunTrust Mortgage
- U.S. Bank
- Wachovia Mortgage
- Washington Mutual (WaMu)
- Wells Fargo Bank, N.A.
- Wilshire Credit Corporation



Identifying Borrowers



- Two complimentary processes for identifying financially harmed borrowers:
 1. “Look-back” review of loan files by the Independent Consultants
 2. Review of files based on a borrower’s specific request for review.
 - Outreach to date has included:
 - Notices sent to 4.3 million borrowers
 - » Cover letter, Request for Review Form
 - » Postage-paid, addressed envelope
 - Advertisements in TV Guide, Parade, People, Jet Magazine, USA Today Weekend, and over 15 Spanish publications
 - Public Service Announcements (PSAs)
 - The Request for Review Form is critical for borrowers to complete to request a review outside the look-back process, and that is why we are doing this training.



Envelope to Borrower



INDEPENDENT REVIEW ADMINISTRATOR
PO BOX 8012
FARIBAULT MN 55021-9412

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
Rust Consulting, Inc.

Important Information - Do Not Discard



* 0 1 2 3 4 5 6 7 8 9 *

*****PRESORT INFORMATION

[CUSTOMER 1]

[CUSTOMER 2]

[CUSTOMER 3]

[CUSTOMER 4]

[ADDRESS 1]

[ADDRESS 2]

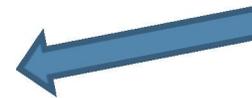
[ADDRESS 3]

[ADDRESS 4]

[CITY], [STATE] [ZIP]

*****USPS BARCODE

Your client's name and
address appears here





Return Envelope

01

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL
FIRST-CLASS MAIL PERMIT NO.26509 MINNEAPOLIS MN

POSTAGE WILL BE PAID BY ADDRESSEE

INDEPENDENT REVIEW ADMINISTRATOR
PO BOX 1234
FARIBAULT MN 55021-1234





Rules of Thumb

- To receive a review, the minimum amount of information that the borrower needs to supply is his or her current contact information and signature.
- When in doubt, supply more information rather than less.
- Return all pages of the form.





Request for Review Form Page 1 of 5 Instructions Page



- Instructions for form completion.
- Nothing to complete on page 1, but corrections can be made in Question 13.
- Every page contains a unique bar code that corresponds to the borrower.

Independent Foreclosure Review

Request for Review Form

It is important that you complete the form to the best of your ability; all information you provide may be useful.

If the foreclosure process was active on your primary residence between January 1, 2009 and December 31, 2010, you are eligible to request an Independent Foreclosure Review that may result in compensation or other remedy.

If you think you may have been financially injured as a result of errors, misrepresentations, or other deficiencies made during the foreclosure process, you may complete and submit a Request for Review Form.

Send this completed form to:
Independent Review Administrator
(Address, City, State ZIP)

Your form must be postmarked no later than
April 30, 2012

To find answers to your questions about the review process as well as information to help you complete the Request for Review Form, visit **IndependentForeclosureReview.com** or call **1-XXX-XXX-XXXX** Monday through Friday, X a.m.–X p.m. ET or Saturday, X a.m.–X p.m. ET

Listed below are examples of situations that may have led to financial injury. This list does not include all situations.

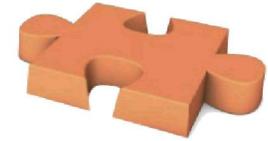
- The mortgage balance amount at the time of the foreclosure action was more than you actually owed
- You were doing everything the modification agreement required, but the foreclosure sale still happened
- The foreclosure action occurred while you were protected by bankruptcy
- You requested assistance/modification, submitted complete documents on time, and were waiting for a decision when the foreclosure sale occurred
- Fees charged or mortgage payments were inaccurately calculated, processed, or applied
- The foreclosure action occurred on a mortgage that was obtained before active duty military service began and while on active duty, or within 9 months after the active duty ended

SAMPLE

Section 1: Property information

[Servicer]	Property address:
Mortgage loan number: [XXXXXXXXXXXX]	[Street Address]
Reference number: [XXXXXXXXXXXX]	[City, State, ZIP]





Request for Review Form Page 1 of 5

Section 1: Property Information

- Rectangle at the bottom of the page contains pre-populated information:
 - Name of the mortgage servicer*
 - Mortgage loan number
 - Reference number
 - Property Address



**The mortgage servicer is the bank or institution that processes your mortgage loan payments and it is the company to whom you send your monthly payments.*



Independent Foreclosure Review

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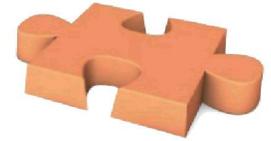
Listed below are examples of situations that may have led to financial injury. This list does not include all situations.

- The mortgage balance amount at the time of the foreclosure action was more than you actually owed
- You were doing everything the modification agreement required, but the foreclosure sale still happened
- The foreclosure action occurred while you were protected by bankruptcy
- You requested assistance/ modification, submitted complete documents on time, and were waiting for a decision when the foreclosure sale occurred
- Fees charged or mortgage payments were inaccurately calculated, processed, or applied
- The foreclosure action occurred on a mortgage that was obtained before active duty military service began and while on active duty, or within 9 months after the active duty ended



Section 1: Property information	
{Servicer}	Property address:
Mortgage loan number: {XXXXXXXXXXXX}	{Street Address}
Reference number: {XXXXXXXXXXXX}	{City, State, ZIP}

Request for Review Form
Page 2 of 5
Section 2: Your Information



FOR POSITION ONLY

Enter mailing address



Enter preferred
contact information



Section 2: Your information		
First name:	Middle initial:	Last name:
Address:		
City:	State:	ZIP:
Phone (day) [][]-[][]-[][][]	(evening) [][]-[][]-[][][]	
Email address:		
PREFERRED MAILING ADDRESS AND TELEPHONE NUMBERS This information will be used to contact you throughout the Independent Foreclosure Review process. <input type="checkbox"/> Check here if same as above		
Mailing address:		
City:	State:	ZIP:
Phone (day) [][]-[][]-[][][]	(evening) [][]-[][]-[][][]	

DUPLICATE



Request for Review Form



Page 2 of 5

Section 3: Background

Section 3: Background		
1. Was this property your primary residence?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
2. Were you under bankruptcy protection or waiting for the final ruling on your bankruptcy case when the foreclosure action happened? If yes, date your bankruptcy case was filed: ____ / ____ / ____ (if available)	<input type="checkbox"/> YES	<input type="checkbox"/> NO
3. Do you believe that the mortgage balance amount at the time of the foreclosure action was more than the amount you actually owed on the mortgage?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
4. Do you believe that the foreclosure action was pursued because your mortgage payments were inaccurately processed or applied?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
5. Do you believe you were protected by an insurance policy issued by the servicer or an affiliate that would have made your payments in the event of unemployment, disability, or illness, but did not do so?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
6. Did you attempt through the court to have the decision to foreclose on your home reversed? If yes, court date: ____ / ____ / ____ (if available)	<input type="checkbox"/> YES	<input type="checkbox"/> NO
7. Do you believe you provided all the necessary documents required to obtain payment assistance or a mortgage modification before the foreclosure action occurred?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

SAMPLE





1. Was this property your primary residence?

TIP *The primary residence for this process was the place where the borrower lived or resided during the majority of the calendar year. It is also the address that would have appeared on his or her federal income taxes, voter registration or government-issued driver's license or identification card. A person can only have one primary residence at any given time.*





2. Were you under bankruptcy protection or waiting for the final ruling on your bankruptcy case when the foreclosure action happened?

If yes, provide the date your bankruptcy case was filed:

____ / ____ / ____ (if available).





3. Do you believe that the mortgage balance amount at the time of the foreclosure action was more than the amount you actually owed on the mortgage?

TIP *If the borrower and the lender disagree on the amount owed on the mortgage, answer “yes” here and note what the borrower believed was owed in Question 13.*





4. Do you believe that the foreclosure action was pursued because your mortgage payments were inaccurately processed or applied?

TIP *This question is asking the borrower, “do you believe you were making payments as the original mortgage agreement (or modification agreement) said you should, but the foreclosure action still happened?”*





5. Do you believe you were protected by an insurance policy issued by the servicer or an affiliate that would have made your payments in the event of unemployment, disability, or illness, but did not do so?

TIP *The question refers to mortgage insurance purchased from the servicer or affiliate – it is not referring to personal insurance.*





6. Did you attempt through the court to have the decision to foreclose on your home reversed?

If yes, court date: ____ / ____ / ____ (if available)

TIP *This situation would be most common in states where foreclosure actions are processed through the courts.*





7. Do you believe you provided all the necessary documents required to obtain payment assistance or a mortgage modification before the foreclosure action occurred?

TIP *Copies of documents can be resubmitted with the Form.*





8. Was a deficiency judgment obtained against you for an amount that included money that you should not have been required to pay?

TIP *If the borrower isn't sure, advise them to check his or her credit report.*





9. Do you believe you were making on-time monthly payments in the required dollar amount on your mortgage or an approved loan modification, trial modification, or payment plan, yet the foreclosure action still occurred?

TIP *If yes, ask the borrower which type of payment or modification program he or she believed he or she was participating in and note that in Question 13.*





10. Do you believe that you were denied a modification when you qualified under the applicable program rules?

If possible, provide dates and details if you believe you were wrongly denied assistance.

TIP *Consider any modification program to which the borrower may have applied (this includes any offered by the bank or government).*





11. Do you believe you paid fees or charges that you should not have been required to pay in addition to your normally scheduled principal, interest, taxes, and insurance premiums?

If possible, provide dates, types of fees or charges, and amounts you paid.

TIP *The more specific the borrower is about servicer error on fees or other charges, the better the Independent Consultants can specifically research the complaint on the borrower's behalf.*





12. MILITARY ONLY

Did you or a co-borrower have your mortgage loan before active duty military service began?

If you responded **Yes** to question number 12, complete the following:

Name of servicemember: _____

Date active duty began: ____ / ____ / ____

Date active duty ended: ____ / ____ / ____ OR

Still on active duty as of today:





13. Describe any other way in which you believe you may have been financially injured as a result of the mortgage foreclosure process. You may attach supporting documents.



Section 4: Signature



I am submitting this “Request for Review” Form to request an Independent Foreclosure Review of my foreclosure action by an independent consultant. This review is being required under orders by the Office of the Comptroller of the Currency and the Federal Reserve Board to identify customers who may have been financially injured as a result of errors or other deficiencies made during the foreclosure process on their loan. The Independent Review Administrator receiving this “Request for Review” is acting pursuant to the requirements of this order.

I understand that I have the ability to separately submit a “**qualified written request**” relating to the servicing of my mortgage loan under the Real Estate Settlement Procedures Act. If I wish to do so, I should write separately to my servicer in accordance with the instructions below. I understand that the Independent Review Administrator is not authorized to act as an agent to receive a “qualified written request” on behalf of my servicer.

By signing this document, I certify that all the information is truthful. I understand that knowingly submitting false information may constitute fraud. I affirm that I am the borrower or co-borrower of the mortgage loan on the property noted within this document, and I am authorized by all borrower(s) to have my signature grant permission to proceed with this request for review.



What Happens After Submitting the Request for Review Form?



- The borrower receives an acknowledgement letter from Rust Consulting (the return address will be “Independent Review Administrator”) within 1 week after the form is received. The borrower does not need to take any additional action for this process. If they move, they should update their servicer *and* Rust Consulting by calling the hotline: 1-888-952-9105.
- Borrowers who submitted a Request for Review Form will receive a letter informing them whether or not they suffered financial injury due to servicer error, omission, or other deficiency that caused financial harm. Not every finding will result in remediation and the review could take several months.
- Please note: the borrower’s information will not be shared outside the Independent Foreclosure Review process, sold, or used to collect debts from the borrower.



For more about the Independent Foreclosure Review



- **Independent Foreclosure Review**
 - Toll-Free Hotline: 1-888-952-9105
 - Monday through Friday, 8 a.m.–10 p.m. E.T. & Saturday, 8 a.m.–5 p.m. ET.
 - Access to customer service support in over 200 languages

- **Federal Reserve Board**
 - “What You Need To Know about the Independent Foreclosure Review”
<http://www.federalreserve.gov/consumerinfo/independent-foreclosure-review.htm>

- **Office of the Comptroller of the Currency**
 - <http://www.occ.gov/topics/consumer-protection/foreclosure-prevention/correcting-foreclosure-practices.html>



Questions?



- To send a question or comment to the presenters:
 - Use the “Ask a Question” box
 - Email us cca.policy.webinar@frb.gov





Wrap-up

- Thank you for participating!
- Materials available for download in mid-March at the [Federal Reserve Board website](#):
 - Archived training
 - Presentation slides (English and Spanish)
 - Event transcription (English and Spanish)
 - Questions & Answers





Resources for Borrowers

Homeowner's HOPE™ Hotline 1-888-995-HOPE

HUD-approved Housing Counselors <http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm>

HUD Foreclosure Avoidance Counseling <http://www.hud.gov/offices/hsg/sfh/hcc/fc/index.cfm>

Making Home Affordable <http://www.makinghomeaffordable.gov/>

NeighborWorks America Foreclosure Resources <http://www.nw.org/network/foreclosure/>

Loan Modification Scam Alert <http://www.loanscamalert.org>

