



WHAT YOU NEED TO KNOW: Independent Foreclosure Review

Background

The Federal Reserve Board issued enforcement actions against four large mortgage servicers—GMAC Mortgage, HSBC Finance Corporation, SunTrust Mortgage, and EMC Mortgage Corporation—in April 2011. Under those actions, the four servicers were required to retain independent consultants to review foreclosures that were initiated, pending, or completed during 2009 or 2010. The review is intended to determine if borrowers suffered financial harm directly resulting from errors, misrepresentations, or other deficiencies that may have occurred during the foreclosure process. The servicers are required to compensate borrowers for financial injury resulting from deficiencies in their foreclosure processes.

If you had a mortgage loan on your primary residence and believe you were financially harmed during the mortgage foreclosure process by any of the four servicers in 2009 or 2010, you can request an independent review and potentially receive compensation. The four servicers are required to make the independent reviews available to borrowers as part of their compliance with the April 2011 enforcement actions.

A number of servicers supervised by the Office of the Comptroller of the Currency (OCC) are also required to conduct independent reviews. (See below for the full list of servicers.)

Eligibility for Review

Borrowers are eligible for an independent foreclosure review if they meet the following criteria:

- the property securing the loan was the borrower's primary residence;
- the mortgage was in the foreclosure process (initiated, pending, or completed) at any time between January 1, 2009, and December 31, 2010; and
- the mortgage was serviced by one of the following mortgage servicers:

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



Useful Terms...

mortgage loans

A loan that uses your property as collateral to guarantee repayment.

If you previously filed a complaint with these servicers about foreclosures pending during the review period, you may still seek an independent review of your foreclosure.

There are no costs associated with being included in the review; the review is a free program. Beware of anyone who wants payment to assist you in connection with the independent foreclosure review or any other foreclosure assistance program.

Review process

Information about the review process, including how to request an independent review, was mailed to potentially eligible borrowers in November and December 2011. If you believe that you meet the three criteria but have not received a mailing, call 888-952-9105, Monday through Friday from 8 a.m. to 10 p.m. (ET), and Saturday from 8 a.m. to 5 p.m. (ET). Individuals can also get more information about the review through a website set up by the servicers, www.IndependentForeclosureReview.com. A list of Frequently Asked Questions and Answers are available on the website.

Individuals will be sent an acknowledgement letter from the review administrator within one week after their request for an independent review is received. Individuals will be notified in writing of the results of the review. Because the review process will be a thorough and complete examination of many details and documents, it could take several months to complete the review.

Rust Consulting was selected and hired by the servicers to serve as the central administrator of the independent foreclosure review. Rust Consulting will notify borrowers, receive requests for a review, and respond to questions about the independent foreclosure review process.

Deadline to request a review

Requests for review by the servicers' independent consultants must be received by **December 31, 2012**.¹ Borrowers are encouraged to carefully consider the information about the review program to determine if they are eligible to participate.

Federal Reserve's role

The Federal Reserve's role is to ensure compliance with the enforcement actions issued in April 2011. As required by those actions, independent consultants will conduct the reviews of foreclosures and determine whether errors, misrepresentations, or other deficiencies resulted in financial injury. The Federal Reserve will monitor the independent foreclosure review process and the servicer's outreach efforts.

¹ The original deadline to request a review, April 30, 2012, has been extended to December 31, 2012. More information is available on the Federal Reserve's website at www.federalreserve.gov/newsevents/press/bcreg/20120802a.htm.