

## protect yourself from abuse

The San Diego District Attorney's Office cannot give you legal advice, but we can provide these tips to help you protect yourself:

- Avoid doing business with individuals or companies that call themselves mortgage consultants, foreclosure services or similar without thoroughly checking their credentials. Be sure to ask for references from licensing agencies, or check with the Better Business Bureau and trade groups
- Recommendations from family, friends, coworkers and others you trust are also a good resource. A legitimate mortgage consultant can help find the best loan and help with an unfavorable loan
- Be aware of promises like "We'll save your credit," "We'll pay the closing costs," "We'll buy your house 'as-is'," or "If you sign the house over to us the foreclosure will be recorded against us," among a host of other come-ons
- Be extremely cautious of those who contact or advertise to people whose homes are listed for foreclosure, including anyone who sends flyers or solicits door-to-door
- DO NOT sign a quitclaim deed or any other document that transfers the property to another person or trust without first consulting an independent attorney
- Never sign a contract or other documents under pressure. Seek help, from an attorney, social services agency, legal aid or someone you trust to review any foreclosure-related paperwork. Be especially wary of offers to take over ownership of your home as part of a deal that allows you to rent your home and then buy it back after a few years
- Never make verbal agreements. Never sign blank pages where information can be added later. Never sign anything you do not understand

## FORECLOSURE FRAUD

### district attorney office locations

San Diego – Hall of Justice  
330 W. Broadway, San Diego, CA 92101  
(619) 531-4070

North County Branch – Vista Courthouse  
325 S. Melrose Dr., Ste. 5000, Vista, CA 92083  
(760) 806-4079

East County Branch – El Cajon Courthouse  
250 Main St., 5th Floor, El Cajon, CA 92020  
(619) 441-4538

South Bay Branch  
333 H St., Ste. 4000, Chula Vista, CA 91910  
(619) 498-5650

Juvenile Division – Juvenile Courthouse  
2851 Meadowlark Dr., San Diego, CA 92123  
(858) 694-4254



Report foreclosure fraud to the  
San Diego District Attorney's  
Real Estate Fraud Complaint Line  
(619) 531-3552



[www.sandiegoda.com](http://www.sandiegoda.com)

**protect yourself during  
this difficult time**



**Bonnie M. Dumanis  
District Attorney**

Our thanks to National Consumer Law Center for portions  
of the material in this pamphlet

*A Message from your District Attorney:*

*With foreclosures on the rise, criminals are taking advantage of struggling homeowners by committing fraud. Many appear to be legitimate consultants or brokers, but their schemes are aimed at stealing your money or property.*

*If you believe that you've been a victim of a criminal foreclosure consultant or other real estate fraud, call the San Diego District Attorney's Real Estate Fraud Complaint Line to request a complaint form.*



*Although this office cannot legally represent individuals in civil matters, help cancel any debt due on a signed contract, resolve or mediate individual contractual complaints, or obtain any other personal relief, we will pursue these criminals and prosecute them as the law allows. We do recommend the Housing Opportunities Collaborative for foreclosure counseling or assistance with loans.*

*If you have already transferred title to your property, you should consult with private counsel to explore the legal solutions available. If you do not have an attorney, you can contact the San Diego County Bar Referral Service and they will help you find a qualified attorney for your case.*

**Rescue Schemes**

Since pending foreclosures are publicly filed, criminals can purchase this information to target distressed homeowners for these “rescue” schemes. Homeowners who receive a notice of default should be prepared for letters, telephone calls, and even unsolicited visits from individuals or firms offering to help avoid foreclosure through “sale-lease back” arrangements, “interim ownership contracts,” “federal land grants,” and other fraudulent deals.

These scams revolve around well-hyped deals which are supposedly designed to save the homes of people facing foreclosure. But frequently, this help from a “rescuer” either drains off the property’s built-up equity or leaves the “rescuer” owning the house outright – and the family evicted from their home.

Typically, these arrangements require homeowners to sign over their homes, with the promise that they will be able to buy them back later. However, the actual terms of these arrangements make it difficult and, in some cases, impossible for homeowners to reclaim title.



The predominant foreclosure “rescue” scams generally come in three varieties:

**1. Title Transfer**

The most dangerous scheme is the “bailout” that never quite works. This scenario includes various schemes in which the homeowner surrenders title to the house in the belief that within the deal, they’ll be able to remain in the home as a renter, and eventually buy it back. Homeowners are sometimes told that surrendering title is necessary so that someone with a better credit rating can secure new financing to prevent the loss of the home. But the terms of these deals are almost invariably so onerous that the buyback becomes impossible, the homeowner loses possession permanently, and the “rescuers” end up with all or most of the home’s equity, often evicting the original homeowner.

Another scam convinces the homeowner to transfer title to a “federal land grant” with the false promise that this prevents the lender from foreclosing.

**2. Bait And Switch**

In the bait-and-switch scheme, the homeowner does not realize they are surrendering ownership of the house in exchange for a “rescue.” Many homeowners later insist that they believed they were only signing documents for a new loan to make the mortgage current. This also results in the homeowner losing their home.

**3. Phantom Help**

The third scheme could be called “phantom help” since the “rescuer” charges outrageous fees, either for light-duty phone calls and paperwork the homeowner could have easily performed, or on a promise of more robust representation that never materializes. In either event the homeowner is usually left without enough assistance to actually save the home but with little or no time left to prevent this grievous loss by the time it’s realized. The “rescuer” essentially abandons the homeowner to a fate that might have been prevented with better intervention.

**IMPORTANT CONTACT INFORMATION**

Housing Opportunities Collaborative  
www.housingcollaborative.org • (619) 283-2200

San Diego District Attorney’s Real Estate  
Fraud Complaint Line (619) 531-3552

San Diego County Bar Referral Service  
(619) 231-8585 or (800) 464-1529