



NEW YORK STATE SENATOR

David Carlucci

## Media Advisory: Consumer Alert - Beware of Mortgage Scam Artists

DAVID CARLUCCI February 7, 2012

| ISSUE: **CONSUMER PROTECTION, PREDATORY LENDING**

**\*\*\*MEDIA ADVISORY\*\*\***

**FOR IMMEDIATE RELEASE**

### **CONSUMER ALERT: BEWARE OF MORTGAGE SCAM ARTISTS**

*Senator Carlucci Exposes Loan Modification Company Targeting Struggling Spring Valley Homeowners*

**February 7, 2012** – As mortgage abuse continues to skyrocket in the midst of the worst foreclosure crisis in history, Senator David Carlucci (D-Rockland/Orange) on Thursday will join Spring Valley homeowners Rosemarie Jean-Baptiste and Maxene Sainvil, the recent target of a ploy by a loan modification company that promised to adjust their home mortgage payments in return for upfront cash payments of \$600 per month for 3 years. The company, Loan Modification Division, using deceiving images disguised as government seals, also failed to disclose a disclaimer that such services were provided free of charge by the State, as required by law.

Under New York State law, companies like Loan Modification Division are 1) prohibited from taking any up front fees in connection for activities related to modifying mortgages, and 2) require these companies to provide a disclaimer and information about the availability of free state-funded services in their advertisements.

With the onset of the subprime lending crisis, the nationwide jump in foreclosures and mortgage defaults has triggered a sharp rise in the number of predatory scams targeting financially-strapped homeowners. In the case of Ms. Baptiste and Mr. Sainvil, the couple, living on a limited income while supporting their four children and family relatives in Haiti, currently face the prospect of foreclosure.

**WHO:** Senator David Carlucci

Homeowners Rosemarie Jean-Baptiste and Maxene Sainvil

Nadjeda Gerard, Housing Counselor, Rockland Housing Action Coalition

**WHAT:** Exposing mortgage loan modification scams and the need for stronger enforcement

**WHEN:** **Thursday, February 9, 2012 at 11:00 AM**

**WHERE:** 5 Bogert Place, Spring Valley

*Home of Rosemarie Jean-Baptiste and Maxene Sainvil*

**NOTES:** For media inquiries or to find out more information regarding this event, please contact Jason Elan at (845) 623-3627.

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